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Israel	1.80 NIS			U.K.	1.00 Pounds
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Sweden	7.46 Kr.			U.S.	1.00 Dls.
Switzerland	7.20 Sfr.			U.S.	1.00 Dls.
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## Lange Threatens Cutbacks

### Ties ANZUS Role In Pacific Patrols To U.S. Actions

By Jay Mathews  
Washington Post Service

LOS ANGELES — Prime Minister David Lange of New Zealand threatened to reduce South Pacific maritime surveillance and other activities important to the United States in retaliation for U.S. sanctions against his nation, which has refused to allow nuclear ships to visit there.

Mr. Lange, speaking to American businessmen here Tuesday, raised the dispute over New Zealand's ban on U.S. nuclear warships to a new level.

He said the United States informed him Tuesday that it had "drastically scaled down" cooperation with New Zealand, primarily in intelligence sharing and defense, and he suggested this would only hurt the United States.

"We have military assistance programs with South Pacific island states," Mr. Lange said. "We have the prime responsibility for maritime surveillance of the vast South Pacific. We have a force stationed in Singapore."

"If the United States diminishes defense cooperation under ANZUS, this will in turn diminish our capacity to go on playing a role in Southeast Asia and the South Pacific," he said, calling New Zealand's role "a contribution to the safeguarding of United States and Western security as a whole."

ANZUS is the Australia-New Zealand-United States defense pact.

Mr. Lange also said that New Zealand planned to ensure that "the South Pacific remains secure, peaceful and democratic."

"We, above all, have no desire to see the Soviet Union meddling in our region," he noted.

Mr. Lange said that William A. Brown, a U.S. deputy assistant secretary of state, told him Tuesday that Washington was canceling joint military exercises with New Zealand and cutting off intelligence "of the raw, military sort."

Mr. Lange said the U.S. actions were "serious" and "to a degree damaging."

"They are not, in my view, the kind of actions which a great power should take against a small, loyal ally which has stood by it, through thick and thin, in war and peace," he said.



David Lange

## Dollar Off As Banks Intervene

### \$1-Billion Selloff Leaves Markets 'Shell-Shocked'

By Bob Hagerty and Warren Getler  
International Herald Tribune

LONDON — European central banks, taking advantage of a pause in the dollar's recent surge, hammered the U.S. currency down Wednesday by selling an estimated \$1 billion on foreign-exchange markets.

The coordinated intervention knocked the dollar from a high of 3.45 Deutsche marks in the morning to as low as 3.27 DM early in the afternoon, a plunge of more than 5 percent. The dollar recovered moderately when the U.S. Federal Reserve did not show any signs of joining the intervention, although U.S. dealers said there were rumors of Fed intervention.

"People are shell-shocked," said David Joubin, senior executive for currency dealings at Midland Bank PLC in London. "It's been one of the most violent movements we've ever seen."

Late Wednesday afternoon in New York, the dollar was trading at 3.3220 DM, down from Tuesday's close of 3.3950. The dollar also fell to 259.10 yen from Tuesday's 260.25, to 2.8275 Swiss francs from 2.875 and to 10.155 French francs from 10.375. The pound, which closed at \$1.067 Tuesday, was trading in New York late Wednesday at \$1.0915.

Dealers estimated that central banks in West Germany, Britain, France, Italy and the Netherlands dumped as much as \$1 billion on the market in an attempt to subside the dollar. The currency, before starting to retreat from a 14-year high of 3.4780 DM in European trading Tuesday, had risen nearly 10 percent during the mark since the beginning of February.

In Frankfurt, a Bundesbank spokesman said the West German central bank sold about \$700 million, the biggest single-day total in several years. The bank said signs of weakening demand for the dollar and decided the time was right to add momentum to the fall, he said.

"Perhaps this will be a turning point," he said.

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CENTER OF CONTROVERSY — French troops in the UN peacekeeping contingent, who were sharply criticized Tuesday by Defense Minister Yitzhak Rabin of Israel, as they took up positions in Lebanon in November during talks on Israeli troop pullouts. Page 2.

## UN Report Cites Soviet Massacres In Afghanistan As 'Deliberate'

By Iain Guest  
International Herald Tribune

GENEVA — In an unusual criticism of the Soviet Union, a United Nations report on human rights in Afghanistan has accused Soviet forces of a "deliberate policy" of bombing villages, massacring civilians and summarily executing captured guerrillas.

The report accused the government of Afghanistan of holding an estimated 50,000 political prisoners. It said torture in jails had become so routine that it had assumed the character of an "administrative practice."

The report was prepared by Felix Ermacora, an Austrian law professor who has participated in UN human rights inquiries on Chile and South Africa. The Afghan government refused to cooperate with Mr. Ermacora.

A copy of the report was made available to the International Herald Tribune. The report is to be made public soon and debated at the UN Human Rights Commission, now meeting in Geneva.

The UN commission called Tuesday for the withdrawal of "foreign troops" from Afghanistan by a vote of 31-7 with 5 abstentions.

This is the first time a UN body has openly criticized the Soviet Union and alleged widespread human rights abuses. Diplomats in Geneva said the report could have major diplomatic consequences.

Some expressed hope that it would cause the Reagan administration to adopt a more constructive approach toward the UN, which it frequently has criticized as ignoring Soviet human rights abuses.

They also predicted that it might complicate efforts by the UN secretary-general, Javier Perez de Cuellar, to negotiate a withdrawal of Soviet troops from Afghanistan as part of an overall diplomatic settlement.

According to these sources, Mr. Ermacora took the word "Soviet" out of his report and replaced it with "foreign" when referring to massacres and bombardments by troops.

Still, a source described the report as "devastating" in its criticism of the Soviet Union.

The report described the presence of foreign troops in Afghanistan as "one of the main causes for the present human rights situation," citing the massive displacement of people, the exodus of four million refugees, serious food shortages and an almost total disregard for the Geneva Conventions on the treatment of civilians and prisoners of war.

"The result of this situation is that many lives have been lost, many people have been incarcerated in conditions far removed from respect for human rights and fundamental freedoms, many have been tortured and many have disappeared," the report said.

Mr. Ermacora traveled to Pakistan in December. He interviewed refugees from 15 regions in Afghanistan and visited four hospitals for wounded Afghans. Among the highlights of his report were the following points:

- Massacres — The report said 505 civilians were executed when three villages were destroyed.
- In an incident Sept. 13, 1982, it said, about 105 people took refuge in an underground irrigation tunnel in the village of Padkhwah-Shana in the province of Logar south of Kabul. Troops mixed "whitish" powder with a liquid, poured it into the tunnel and set it afire. Among the charred bodies were the remains of 12 children.
- The Geneva Conventions — The report spoke of "reprisals, indiscriminate bombardment, non-respect for hospital zones, maltreatment of prisoners taken during the fighting" and "the use of specialized weaponry."
- It also touched on the controversy of whether chemical weapons were being used in Afghanistan. Mr. Ermacora said he was told that gas had been used to poison water and livestock, and that one substance dropped by planes had caused "convulsions."
- Bombardment — The report described the bombardment of villages.

(Continued on Page 2, Col. 7)

## German Aircraft Is Shot Down by Polisario Front

Compiled by Our Staff From Dispatches

ALGIERS — The Polisario Front movement, fighting for the independence of the Western Sahara, said Wednesday it had shot down a West German plane carrying three members of the Polar-2 Antarctic expedition.

A communiqué from Polisario headquarters said the plane was downed by anti-aircraft fire Sunday "in the same region where two Moroccan D-228s were shot down in January."

A spokesman for Dornier, the West German aircraft company, confirmed that three people were aboard the Dornier-228, which was returning from the Antarctic. He identified them as Herbert Hampel, 47, head of the Dornier flight team and first pilot; co-pilot Richard Moebius, 46, and a Dornier technician, Josef Schmid, 28.

The Polisario statement said it has considered the region a war zone for the last nine years and warned that "any foreign visitor to Western Sahara will be considered a legitimate military target."

The guerrillas did not say whether bodies were recovered.

The plane was shot down on the Atlantic coast in the northern part of the territory. (AP, UPI)



The crew of the downed plane, posing at the South Pole in November. From left are Richard Moebius, co-pilot; Josef Schmid, a technician; and Herbert Hampel, pilot.

## Israel Offers Support for Mubarak Over Proposal for New Mideast Talks

By Thomas L. Friedman  
New York Times Service

JERUSALEM — Prime Minister Shimon Peres told visiting Egyptian special envoys Wednesday that Israel supported a new Middle East peace initiative suggested by President Hosni Mubarak of Egypt, government officials said.

The Egyptian has called for direct talks between Israel and a joint delegation of Jordanians and Palestinians.

The prime minister's spokesman, Uri Savir, said that Mr. Peres was ready for direct talks between Israel and Jordan, or between Israel and a Jordanian-Palestinian delegation, provided that it did not include members of the Palestine Liberation Organization.

The Egyptian proposals were first made public in an interview with Mr. Mubarak published Monday.

The plan was formally presented to Mr. Peres, Defense Minister Yitzhak Rabin, and two ministers without portfolio, Moshe Arens and Ezer Weizman, during a five-hour negotiating session late Tuesday night at the prime minister's Jerusalem residence. Representing the Egyptians was Osama el-Baz, the political adviser to the Egyptian president, government sources said.

With Israel now having informed the Mubarak government of its readiness for direct talks with Jordan and non-PLO Palestinians, the focus now shifts to Jordan and Yasser Arafat, the PLO leader.

The key question is whether Mr. Arafat will agree to appoint non-PLO Palestinians to take part in such negotiations alongside the Jordanians, and, should he decline, if King Hussein would enter into talks on his own.

A senior Israeli official directly involved in the discussions with Mr. Baz cautioned that it was still premature to see this latest flurry of diplomatic activity between Egypt and Israel as a real breakthrough. Mr. Baz, because of his high-profile links with the Arab world, apparently did not want to be photographed meeting with Israelis in Jerusalem.

Israeli officials were pleased that the Egyptians were now talking in terms of direct negotiations between the parties and outside the framework of an international conference, positions Israel has advocated for some time.

The arrival and departure in Israel of the various Egyptian envoys was highly unusual, even in a region accustomed to unusual diplomacy.

Mr. Baz reportedly flew from Cairo to Rafah, a town on the Egyptian-Israeli Gaza Strip border, and then drove from Rafah to Jerusalem.

When the talks broke up at around 1:30 A.M., Mr. Baz slipped out the back door, avoiding photographers who had been tipped off that he was there. The Egyptian Embassy in Tel Aviv constantly de-

## Reagan, Rejecting Any Compromise, Starts Lobbying Hard for MX Missile

By Bill Keller  
New York Times Service

WASHINGTON — The Reagan administration, rejecting proposals for delay or compromise, has begun a high-level lobbying effort to win a congressional showdown on the MX missile next month.

White House and Pentagon officials said the campaign was directed at a series of test votes in Congress the week of March 18, about a week after arms control negotiations begin in Geneva, on whether to lift restrictions on production of 21 of the multiple-warhead nuclear missiles.

The officials said they believed the votes would be close, especially in the Senate, but that their timing with the start of the arms control talks on March 12 would make Congress reluctant to kill the new missile.

As part of the lobbying effort, Secretary of State George P. Shultz and Defense Secretary Caspar W. Weinberger made a rare joint appearance before the Senate Armed Services Committee and pleaded with Congress to support the MX so as to enhance the bargaining strength of U.S. negotiators in Geneva.

Max M. Kampelman, the Reagan administration's chief arms negotiator, made a similar plea in testimony before the Senate Foreign Relations Committee.

On Tuesday afternoon, President Ronald Reagan argued for the missile in a meeting with members of the Senate Armed Services and Appropriations Committees.

"I don't know if he changed any minds or not," said Senator Pete V. Domenici, Republican of New Mexico, after the 20-minute meeting with Mr. Reagan. "It seems to me that it is a tough case, but I think it will pass."

The White House and Pentagon officials said the administration wanted to complete the MX votes before April 5, when Congress begins an Easter recess, and as one senior Pentagon official put it, the members "get their brains beat out by every church group, every mother for peace."

Larry Speakes, the White House spokesman, said the president would send Congress a report March 4 requesting the money for the missiles that would "start the clock running" toward the congressional votes.

Under an arrangement set last year, the Senate and the House of Representatives are to vote within 15 days of the president's report, each casting two votes on the MX: one to authorize the production; the other to lift a congressionally imposed barrier to the expenditure on \$1.5 billion on the MX that was previously appropriated.

Members of Congress, arms control lobbyists and administration officials all characterized the outcome as uncertain Tuesday, but said the timing would work in the administration's favor.

Administration officials said they expected to win the votes, but that they feared many members of Congress would condition their support on other arms cuts later on.

The conditions might include congressional limits on 48 more MX missiles, for which the Pentagon is requesting \$4 billion in the 1986 fiscal year; restraints on the proposed space-based anti-missile program, or statements linking the future of the MX to signs of U.S. flexibility at the arms talks.

"We believe they will lift the fence," said an official of the barrier on the \$1.5-billion MX expenditure. "It's a question of how much we have to give up for that later."

So far, the administration has rejected overtures from Congress for a compromise linking the 21 missiles to other arms matters.

Administration and congressional sources said that the chairman of the House Armed Services Committee, forcing the inhabitants into

(Continued on Page 2, Col. 2)



Max M. Kampelman

## U.S. Envoy Causes a Stir in Some Austrian Diplomatic Circles

By James M. Markham  
New York Times Service

VIENNA — The Reagan administration's high-profile public diplomacy has collided in Austria with the stiffer conventions of the Continent.

Two years ago, Helene A. von Damm, 46, ambitious emigrant from Austria who had risen to a position of considerable power at the White House, caused a stir when she turned to her native land as U.S. ambassador.

But when the ambassador recently died her third husband to marry Peter Orler, 39, the owner of the luxury-class Hotel, she came close to creating a scandal.

Austria cultivates hand kissing, but behavior that draws attention is definitely out. A bit of an international backwater, Vienna is drawn to a rather old-fashioned kind of European diplomat to its missions, which are paternal and not exactly over-the-top.

"Such exponents of the striped-pants school seem to feel their collective dignity led by Mrs. von Damm's comportment."

"I believe in the kind of public diplomacy that the Reagan administration espouses," said Mrs. von Damm, who jogs in city parks and has climbed to the top of the country's highest peak, the Grossglockner. "I believe in selling America, and how do you sell America if you don't have a high profile?"

Mrs. von Damm — who retains the resonant, titled surname of her second husband, a German-born banker — appears unruffled by the fuss over her remarriage.

She defended her handling of what she called "a private affair," noting that before her former husband — Byron J. Leeds, 52, a computer industry consultant from Flinders, New Jersey — slipped quietly out of Vienna last November, not a word had appeared in the press about their divorce.

Mr. Orler, who had divorced his wife, and the ambassador were married at a private ceremony two weeks ago in Kitzbühel, a chic resort town. They re-enacted the ring exchange for television cameras.

"So I think I handled it as discreetly as anyone could," said Mrs. von Damm, who has a habit of rolling German and English words into one sentence. "I don't know why should an ambassador, for instance, be treated differently than someone who works in the administration."

Her birth in the Lower Austrian village of Ulmerfeld in 1938 may, for some Viennese, be beside the point. For Mrs. von Damm, born Winter, is a quintessentially American phenomenon, a resilient risk-taker who got herself out of her Soviet-occupied village, married a U.S. soldier in West Germany, moved to Detroit and got divorced.

A job as a secretary in Chicago with the political-action committee of the American Medical Association led to a fateful encounter in 1965 with an actor-turned-politician named Ronald Reagan. She followed him to California, joining his gubernatorial campaign and becoming his personal secretary.

She accompanied Mr. Reagan to the White House, raising \$3.5 million for his 1980 campaign in the northeastern states. By 1982, she had reached the influential position of Assistant to the President for Presidential Personnel, a job that meant giving many weighty jobs to others.

"Being the special assistant and being in the Oval Office has a lot of — how shall I say? — trimmings," said Mrs. von Damm, musing on her decision to accept the posting to Vienna. "It was a protected, sheltered spot, where obviously I could have made round-the-world trips with the president."

"And on the other hand," she said, "there was the lure of the challenge to be really out on your own and take the inevitable consequences and risks."

Among diplomats from other countries, there is a consensus that U.S.-Austrian relations have improved since Mrs. von Damm arrived.

Her high-profile diplomacy has brought a string of U.S. luminaries to Vienna, and under her prodding President Rudolf Kirchschlager made the first official visit to the United States by an Austrian head of state.

But some are inclined to attribute this development to the departure in 1983 of Bruno Kreisky, a sometimes curmudgeon of a chancellor, and the accession of the more tractable Fred Sinowatz. Last September, Mr. Sinowatz replaced his leftist foreign

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Helene A. von Damm

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# Lyon Prosecutor Narrows Case to 3 Charges for Trial of Barbie

By John Vinocur  
New York Times Service

LYON, France — French prosecutors expect to try Klaus Barbie by the end of the year for crimes against humanity, but the case they have developed against the former Gestapo chief of Lyon will not involve the torture and murder of France's greatest Resistance hero.

As evidence against Barbie is assembled by the investigating magistrate, and the charges against him are pared down, it has become clear that the trial will deal with three specific charges, instead of the eight originally announced.

These charges exclude Barbie's role in the arrest and death in 1943 of Jean Moulin, the underground chief, and the Nazi police official's campaign of repression against French Resistance fighters.

If evaluations of lawyers are correct, the case against Barbie, 72, will concentrate on 780 of his victims, most of them Jews.

"This is not going to be a great trial for history," said Serge Klarsfeld, a lawyer representing families whose relatives were

sent to Nazi death camps on Barbie's orders.

Referring both to Barbie's campaign against French Resistance fighters and his persecution of Jews, Mr. Klarsfeld added, "There won't be any revelations for all time."

"Barbie," he said, "was a local chief who dealt very harshly with the French Resistance movement and Jews. He was not a figure of the magnitude of other Nazis who have been brought to trial. The Barbie persona is greater than the real personality that will face the court. The Barbie who hid in South America, the Barbie who is accused of killing the head of the Resistance movement, he won't be on trial."

Since Barbie was expelled from Bolivia and brought back to France in February 1983 to stand trial, the prosecution has been refining its case, hearing witnesses and interviewing Barbie for what is expected to be his presentation of a bill of particulars in April or May.

Although no official statement has been made, Pierre Truche, the general prosecutor, made clear in an interview that the

investigating magistrate, Christian Riss, had reduced to three the number of incidents covered by the charges against Barbie from the eight he originally announced two years ago.

The explanation, according to other lawyers, is that the investigating magistrate had to eliminate any situation that could be narrowly and technically defined as a "war crime," such as the execution or torture of underground fighters. Under the statute of limitations, Barbie, who was sentenced to death in absentia by French courts in 1952 and 1954 for war crimes, may no longer be prosecuted for them.

But crimes against humanity, involving genocide or racial persecution, are not proscribed, and Barbie is to stand trial on three charges of this type, the lawyers said. They relate to the deportation of 650 people, most of them Jews, to the Auschwitz and Ravensbrück camps; the deportation of 86 people arrested at the Lyon office of the Jews of France Committee, and the deportation to Auschwitz of 44 children from a home for Jewish children in the village of Izieu.

This means that the prosecution's case will not center on the Resistance movement in Lyon or Barbie's participation in the torture and murder of Moulin. Since Barbie's return to France, this area of the case has been the most sensitive in terms of domestic politics because his lawyer, Jacques Vergès, has insisted that Barbie would expose "certain persons who wear medals today who I consider guilty of wearing them illegally" — in other words, phony Resistance heroes.

Considering the difficulty of finding new information to document the new charges against Barbie more than 40 years after the crimes, Mr. Klarsfeld said, "it's really a miracle, in legal terms, that the investigating magistrate has been able to put together a case."

"They had to find new facts," he said, "and that's exactly what they did."

One of the new and central elements in the Barbie case is a telex message containing a deportation order hearing Barbie's initials. Mr. Vergès has described it as a forgery, noting a reference to a date on the document in French. But Klarsfeld said the

authenticity of the document will be proved in court through the testimony of a German expert.

The remaining legal procedures involve examination of the investigating magistrate's bill of particulars by a special chamber before it authorizes Barbie's trial in the criminal court building looking out on the Rhône River. Mr. Truche said these procedures could take up to seven months, including an appeal if Mr. Vergès should make one. Other lawyers involved in the case have spoken of November as a likely time for the start of the trial.

## Barbie's Mouth Is Burned

Prison sources said Wednesday that Barbie, whose mouth was burned when he took his daily digestion medication, had been given a compound Tuesday which is used to clean floors. The Associated Press reported from Lyon.

The Lyon prosecutor said the mix-up was a genuine error. But Barbie's lawyer charged that it was intentional. Barbie was reported in good condition Wednesday. He had immediately spit out the product, which was identified as sodium silicate.

## Board Says 50% of Miners Working; Scargill Disagrees, Remains Defiant

United Press International

LONDON — The National Coal Board asserted Wednesday that more than 50 percent of Britain's miners were working in defiance of the 50-week coal strike. A government minister declared that the walkout was finished.

But the president of the National Union of Mineworkers, Arthur Scargill, refused to accept defeat and disputed the board's figures, saying that 61 percent of his workers were still on strike.

The board said more than 1,200 more miners returned to the coal pits Wednesday, putting its figure of the number of working miners at over 93,500 of the mining force of 186,000.

This would put the strikers in a minority for the first time since the nationwide strike began March 12.

"The best thing now by far would be for the NUM to get the whole industry working again," Energy Secretary Peter Walker said. "Mr. Scargill knows the strike is finished."

But Mr. Scargill said on the BBC that "this has been the most coura-

geous and determined stand by trade unionists anywhere in the world, arguing for the right to work."

He also criticized other unionists. "When history comes to examine this dispute there will be a glaring omission — the fact that trade unionists have been standing on the sidelines while this union has been battered," he said.

A coal board spokesman called the level of 50 percent "a milestone in the return of sanity in the mining industry."

The union called its members out on strike to oppose the government-appointed board's plan to shut 20 unprofitable mines and eliminate 20,000 jobs.

Mr. Scargill says that a mine, even if unprofitable, must stay open until it is unsafe or its coal exhausted.

The miners tried to win the strike by forcing power cuts and crippling

British industry. But they failed to get sufficient support from other unions. Since no strike vote of the full union membership was taken, some miners never joined the strike.

The miners' cause was hurt by violence by some strikers and by the union's effort to get support from Colonel Moamar Qadhafi of Libya.

"Scargill's only objective was to bring the British economy to a grinding halt, and the trade unions didn't go along with him," a high British official said.

Prime Minister Margaret Thatcher stood up to him and now Scargill has been screwed to the wall," he said.

The official said Wednesday was "a day to smile" for Mrs. Thatcher's administration, since more than 50 percent of the miners were at work and because the British pound strengthened after days of battering.



VATICAN MEETING — Pope John Paul II and Foreign Minister Andrei A. Gromyko of the Soviet Union met Wednesday for the first time since January 1979 to discuss world peace and the situation of Catholics in the Soviet Union. Asked later how he judged the encounter, Mr. Gromyko replied in English: "It was good."

## French, UN Attack Rabin For Remark

United Press International

JERUSALEM — Defense Minister Yitzhak Rabin of Israel has referred to French troops in the UN peacekeeping force in southern Lebanon as "bastards," drawing heated reaction Wednesday from both France and the United Nations.

"These accusations are coarse, unfounded and unjustified," said Roland Dumas, the French minister of external relations, though a spokesman.

Timor Göksel, the spokesman for the United Nations Truce Force in Lebanon, known as UNIFIL, said: "I can't see what the Israelis are complaining about. They have full run of the place, they blow up houses, raid villages, arrest people by the scores. They are an occupying force and do what they want. So who's interfering?"

Mr. Rabin told the Foreign Affairs and Defense Committee of the Knesset, Israel's parliament, on Tuesday that UNIFIL hampered Israeli raids on Shiite guerrilla strongholds in villages east of Tyre.

"The French in the force are the biggest bastards," Mr. Rabin said, according to Israeli news reports. The committee sessions are closed but its proceedings are routinely disclosed to reporters.

French officers in UNIFIL called Paris to ask for an official protest against the remarks. Radio Israel said.

Ovadia Sofer, the Israeli ambassador to France, was summoned to the Foreign Ministry in Paris but did not apologize for the remarks and instead protested the behavior of French troops, the radio said.

"Our army must defend itself against terrorist attacks staged by Shiite elements who are the common enemies of France, Israel and the free world," Mr. Sofer told reporters in Paris.

At least twice in recent days, as the Israelis raided Shiite villages, French troops in the UN force have been posted in the villages as a restraining influence.

The Israelis and the French got into a shoving match at Burj Rahal on Feb. 14 when the French tried to stop the Israelis from bulldozing houses of suspected guerrillas.

[At the United Nations, Secretary-General Javier Pérez de Cuellar declared Wednesday that UN peacekeepers had "no right to impede Lebanese acts of resistance" against Israeli forces in southern Lebanon. The Associated Press reported from New York.]

[Expressing UN frustration over inability to defuse the Lebanese crisis, the secretary-general said that the UN force also lacked the power to prevent Israeli forces from taking tough retaliatory measures against guerrillas in southern Lebanon.]

In Beirut, the Lebanese military said that Israeli and Lebanese troops exchanged fire in southern Lebanon on Wednesday in the first reported clash between them since Lebanese troops were deployed in the area evacuated by Israel 11 days ago.

Military sources said the clash was triggered by an Israeli foot patrol attempting to enter territory controlled by the Lebanese Army in order to raid a Shiite Muslim village.

The testimony Tuesday by Mr. Kampelman, the administration's new chief arms control negotiator, were his first public comments since being named to head the delegation to the Geneva arms talks.

He said that the United States and the Soviet Union "must try to find a formula under which we can live together in dignity."

Mr. Kampelman, told the Senate Foreign Relations Committee that although the Soviet Union was a "repressive" and an "aggressive society," the United States "does not and cannot blow the Soviet Union away."

"We cannot wish it away," he said, arguing for the necessity of pursuing the negotiations, which resume on March 12.

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## WORLD BRIEFS

### Syrians Hijack West German Plane

VIENNA (AP) — Two Syrians being deported from West Germany commandeered a Lufthansa airliner Wednesday with 43 people aboard and forced it to land in Vienna during a flight from Frankfurt to Damascus. They surrendered after nearly five hours of negotiations.

Earlier, they had released all 33 passengers; an airport spokesman said. The eight-member crew remained aboard the Boeing 727. The hijackers were believed to be armed with knives and a broken bottle, and were threatening two flight attendants, Schwechat Airport authorities said.

One of the hijackers told negotiators, "If somebody approaches less than 150 meters, the captain will be killed," according to a spokesman. After an hour of negotiations, 21 of the passengers were released, and the rest were set free 90 minutes later.

### Kohl Reassures Poland on Frontiers

BONN (Reuters) — Chancellor Helmut Kohl assured Poland on Wednesday that West Germany had no territorial claims against it and spoke out against members of his own party who have asserted demands for the return of former German provinces.

In his annual State of the Nation address to the West German parliament, the chancellor said that the Bonn government accepted current European frontiers and would stick rigidly to all agreements it had signed with Soviet bloc states. Mr. Kohl's comments appeared to be aimed at defusing criticism of West Germany by the Soviet Union and its allies after recent statements from members of the right wing of the Christian Democratic Union reviving claims to former German lands.

"We, the Federal Republic of Germany and the People's Republic of Poland, have no territorial claims on each other," he said, "and will not raise any in the future." Large areas of eastern Germany were lost to Poland and the Soviet Union after World War II.

### Bulgaria Curtails Railroad Services

BELGRADE (Reuters) — Bulgaria has temporarily canceled 90 express and other passenger train services because of problems over energy and fuel supplies, the Tanjug news agency said Wednesday.

Tanjug, reporting from Sofia, quoted the state-run railroad administration as saying the cancellations had been prompted by "difficulties in the energy system" and the need for maximum savings of power and fuel.

Bulgaria announced a program of phased power cuts last week to save electricity. Officials acknowledged that Bulgaria is in the grip of a small energy crisis and have blamed it on the failure to bring new equipment into power stations and the effects of drought last year. Poor management and this year's severe winter conditions also were partly responsible, they said.

### Ortega Invites Panel of U.S. Congress

MANAGUA (WP) — In a meeting with five visiting Roman Catholic bishops from the United States, President Daniel Ortega Saavedra of Nicaragua has invited U.S. congressional leaders to form a bipartisan commission that should visit Nicaragua and find out that his country's military development is purely defensive.

[The Reagan administration "would encourage" Congress to take up the offer, the White House spokesman, Larry Speakes, said Wednesday. United Press International reported from Washington. "It would be interesting, in our opinion, to see what a delegation would turn up," he added.]

Mr. Ortega extended the invitation as the U.S. Congress nears a vote on the renewal of U.S. aid to Nicaraguan rebels who have been seeking to overthrow the Sandinist government. The five American bishops, who are on a fact-finding tour, have reiterated that they have never supported the granting of military aid "to any faction involved in any conflict anywhere." The clergymen also voiced their support for peace talks involving all opposition forces, an option that the Sandinists have repeatedly rejected.

### For the Record

Japan's poison candy gang said Wednesday in a letter it was halting nearly six months of attempts to extort money from a confectionery firm by planting poisoned sweets in shops, Kyodo news agency reported in Tokyo. The police said the letter was believed to be genuine but gave no more details.

Three Taiwanese gang leaders have been indicted on charges of killing an American-Chinese writer in California, court officials in Taipei said Wednesday. They said Chen Chai-li, Wu Tun and Tung Kuei-Sheng are accused of killing Henry Liu, a critic of Taiwan, last October in Daly City. The officials did not say when the trial would begin. (Reuters)

Six Chamanians, including five soldiers, have gone on trial in secret accused of plotting against the government of Flight Lieutenant Jerry Rawlings, Radio Ghana said Wednesday. The alleged plot is the fifth to be made public since Lieutenant Rawlings seized power in 1981. (AP)

In central Madrid, an explosion ripped through a shopping center on Wednesday, injuring at least five persons and damaging at least a dozen stores, the police said. No one claimed responsibility for the blast. (AP)

## UN Reports Accuses Soviet Of Using 'Deliberate' Terror

(Continued from Page 1) cism of a member of the UN. Mr. Ermacora said that Afghanistan's system of government was unrepresentative and in "contradiction" with UN human rights instruments.

Mr. Ermacora called on the government in Kabul to convene a representative assembly, and he suggested that Afghanistan might "formally" commit itself to a policy of "permanent neutrality."

Some observers said the report avoided direct criticism of the Afghan guerrillas, beyond saying that their treatment of prisoners was "not satisfactory."

This, they said, contrasted sharply with recent UN reports on human rights in Guatemala and El Salvador, which stressed killings and economic damage attributed to anti-government guerrillas.

The UN inquiry was established by last year's session of the commission, by a vote of 27-8 with 6 abstentions. The vote was denounced by the Afghan delegate as "unlawful, null and void, politically injurious and morally hypocritical."

On Feb. 4, Afghanistan signed a new UN convention banning torture. In his recommendations, Mr. Ermacora said the withdrawal of the foreign troops should be part of a process of "normalization" in Afghanistan.

In what was described by some sources as "unprecedented" criticism of a "deliberate policy" aimed at towns and depriving the guerrillas of support and food.

It said this had caused a dramatic fall in the production of cotton and rice, the destruction of the irrigation system in the southern region of Kandahar and the first signs of famine in the regions of Paktia north of Kabul, in Badkhash in the far north and in the west-central Hazarajat.

Torture — A former Afghan security official told Mr. Ermacora that he had used eight techniques of torture, including electric shock, wood inserted into prisoners' noses and forcing prisoners to drink urine.

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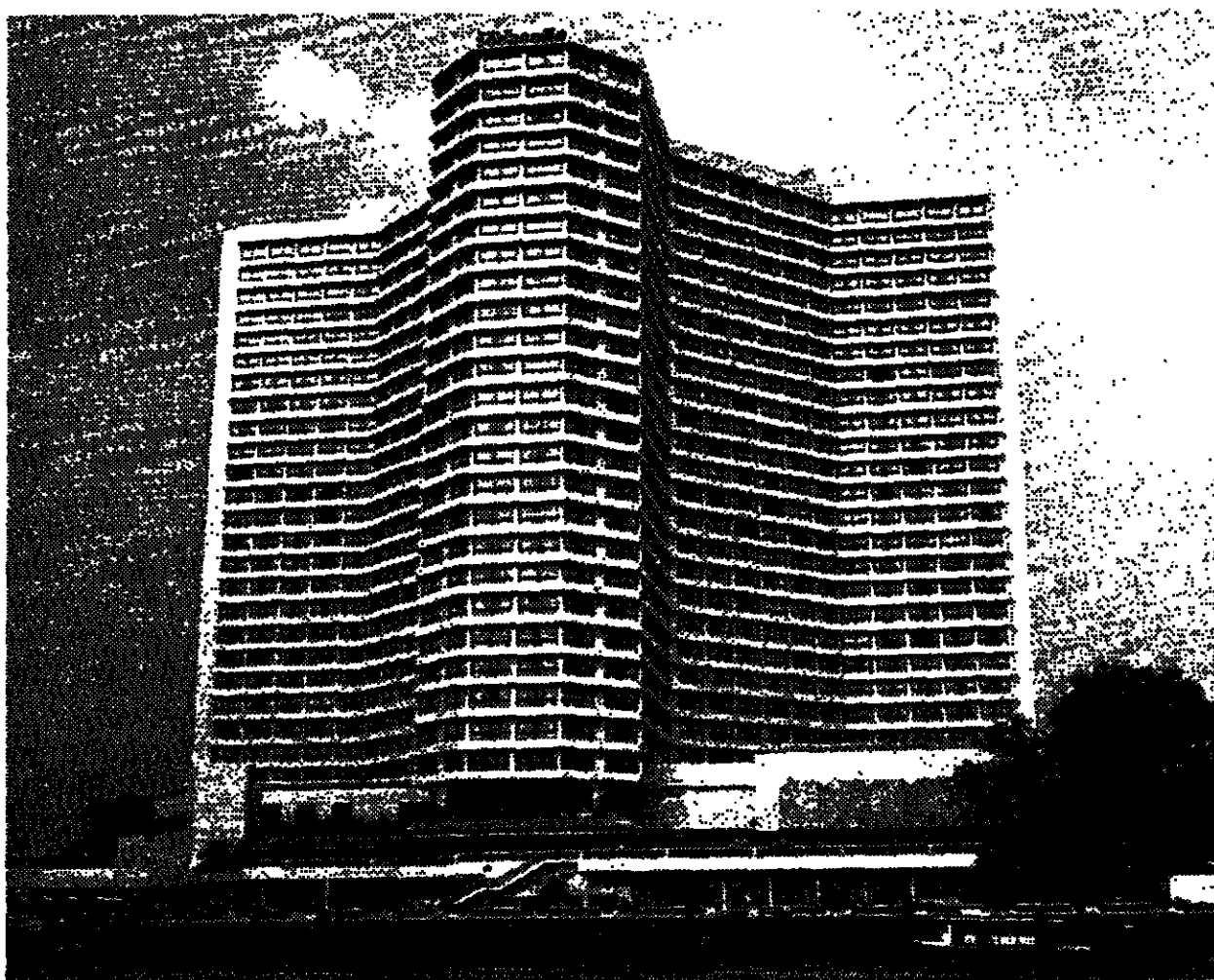
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## White House Issues Threat To Veto Aid For Farmers

By David Hoffman and Helen Dewar  
Washington Post Service

WASHINGTON — President Ronald Reagan has been urged by all his senior advisers to veto legislation pending in the Senate to provide additional credit relief to farmers, the White House spokesman said Wednesday.

The spokesman, Larry Speakes, indicated that President Reagan would probably veto two major amendments that were expected to be attached to an African famine relief bill.

He said the White House was also unhappy with the size of the famine relief bill.

Mr. Reagan believes there is "runaway federal participation" in farm programs that eventually must be scaled back, Mr. Speakes said. He criticized Democrats who are pushing the farm aid amendments.

"The Democrats cried 'Deficit!' in the campaign and the first thing they do is send up budget-busting farm legislation, Mr. Reagan's spokesman said.

The proposed legislation would go considerably beyond steps taken by the administration last week. It would further ease credit terms, providing \$100 million for federally subsidized interest payments, and increase funds available for loan guarantees by \$1.8 billion.

One particularly controversial provision, which could result in government assumption of bad loans with the banks bearing little or no share of the cost, was expected to be shelved, increasing prospects for Republican support of the measure.

On Tuesday, Senate Republican leaders resorted to delaying tactics to fend off possible passage of the farm legislation.

With Democrats and dissident farm-state Republicans within striking distance of passing the legislation, Majority Leader Robert J. Dole, Republican of Kansas, put off a vote Tuesday on the issue and hinted at further delaying tactics if it appeared the measure would be adopted.

He acknowledged that he was not sure he had the votes to stop the farm legislation.

The Republicans, meanwhile, acknowledged that their efforts to reduce the budget deficit were in serious trouble.

The Senate Budget Committee chairman, Senator Pete V. Domenici of New Mexico, said after a Republican discussion of deficit-reduction prospects that "the chances of getting anything are not very good."

Senator Dole conceded that the effort was made "more difficult" by news from Senator Domenici that it would take \$64 billion in spending cuts next year, half again as much as estimated only two months ago, to meet the Republicans' target of maximum \$100-billion deficits by fiscal 1988.

Senator Domenici presented an outline for achieving the goal that included freezes in defense spending and Social Security retirement and disability payments, along with nearly all of the drastic domestic spending cuts that President Reagan has proposed.

The outline was a "pretty scary piece of paper," a Republican senator said as he emerged from the session. A staff member who attended the meeting described the senators as stunned.

Another complicating factor was opposition to a defense freeze from Republicans on the Armed Services Committee. They said Tuesday that they would accept no less than a 4 percent after-inflation increase for defense, which would save \$11 billion next year as opposed to \$20 billion in savings from a freeze.

The 4-percent increase, however, is lower than President Reagan's request for a 5.9-percent increase.

**Gloomy Estimate on Deficit**  
The Congressional Budget Office projects that even if Congress approves all the spending cuts proposed by President Reagan, the annual federal budget deficit will remain around \$185 billion for the rest of the decade. The New York Times reported Wednesday.

The budget office, according to congressional sources, projects a deficit of \$186 billion in 1986, \$185 billion in 1987 and \$186 billion in 1988. The deficits for both 1989 and 1990 are projected at \$187 billion.

President Reagan has projected that the deficit, now more than \$200 billion, would decline to \$180 billion in 1986 and to \$144 billion by 1988 if his cuts were approved. In the budget he submitted to Congress earlier this month, Mr. Reagan proposed spending cuts totaling \$47.5 billion in the fiscal year 1986.



Kim Paris, a private investigator.

## How a Texas Detective Ensnared Her Man

By Paul Taylor  
Washington Post Service

AUSTIN, Texas — A young Houston private eye on her first case befriended a suspect in a three-year-old murder case, dated him for two and a half months and told him she could not consider his marriage proposal until he revealed the dark secret he had hinted he was carrying.

The prospective bridegroom told his secret Thursday, not knowing that Kim Paris, 23, had a tape recorder in her purse.

When he had confessed all, Ms. Paris said, she told him she needed a cigarette, and they drove to a nearby convenience store. She got out of the car, it was the last he saw of her.

Moments later, police officers who had been monitoring the conversation arrived and charged David West, 28, with the 1982 killings of a prominent Houston lawyer, James Campbell, 55, and his wife, Virginia, 50. They were shot in their sleep as two of their grandchildren slept at the foot of their bed.

Police said one of the Campbells' four daughters, Cynthia Helen Ray, prevailed on Mr. West, her boyfriend at the time, to kill her parents so she could collect her share of an estate estimated to be worth \$2 million. Mr. Ray was charged Saturday with murder.

The Campbells' three other daughters hired Clyde Wilson Investigations late last year. Clyde Wilson said Cynthia Ray, known as the family's "problem child," and Mr. West had been suspects from the start.

Ms. Paris, a former naval air traffic controller, had worked less than a year in the agency's insurance-fraud division, surreptitiously videotaping accident victims who claimed they had been incapacitated.

After "intensive coaching" by detectives, she insinuated herself into Mr. West's life.

Ms. Paris knocked on Mr. West's door one evening and feigned embarrassment when his roommate said the person she was looking for did not live there. She asked if she could use the phone. She struck up a conversation. That night she spent three hours with Mr. West and his roommate at a bar.

Ms. Paris said she and Mr. West saw each other "about three or four nights a week" thereafter, on a strictly platonic basis. Regarding sex, she said: "I kept dancing around that subject. Actually, it wasn't that hard. He fancies himself an intellectual, being on a higher plane than most people. David and I spent a lot of time discussing history and politics and religion."

Mr. West, a delivery boy for a blueprint company, is a survivalist and a gun collector.

When he proposed, Ms. Paris encouraged him to tell her the "awful" thing about his past to which he had alluded in earlier conversations. At that point, the detective agency contacted police and the district attorney's office, and Ms. Paris was given the tape recorder.

Does she have any regrets?  
"I have no qualms about what I did, no," she said.

## U.S. Accepts Word Of Mexicans on 3 Held in Abduction

The Associated Press

MEXICO CITY — U.S. officials said they are convinced that three former Mexican security officers questioned in the kidnapping of a U.S. narcotics agent were not involved in the case.

The U.S. Embassy's press attaché, Lee Johnson, said "the Mexican authorities have determined they were not involved in the kidnapping and we agree with that."

Asked what their release could mean to the investigation of the abduction of Enrique Camarena Salazar, Mr. Johnson said, "It cannot be considered a setback."

The three former security officers were taken into custody Sunday in connection with the abduction Feb. 7 of Mr. Camarena, 37, a U.S. Drug Enforcement Administration agent.

They were identified as Tomás Morlet Borquez, a former member of the Federal Security Police; Enrique González Aguilar, a former lieutenant colonel in Mexico City's transit police; and Eduardo Ramírez Ortiz, a former federal security officer.

A fourth man, Marciano Belaztoja, arrested Monday in Guadalajara for allegedly piloting a plane used by a reputed marijuana grower, Rafael Caro Quintero, to slip out of the city. The director of the U.S. drug agency, Francis M. Mullen Jr., called Mr. Caro Quintero a suspect in the kidnapping.

## 1970 U.S. Statute Led to Crackdown on the Mafia

By Selwyn Raab  
New York Times Service

NEW YORK — For 33 years a secret, seemingly impenetrable group called the "commission" was what the authorities now call the guiding force behind organized crime in New York and other major cities in the United States.

Through occasional whistles gleaned by electronic eavesdropping and uncorroborated tips from informants, law enforcement officials suspected that the leaders of the five crime groups in New York met regularly as the commission to resolve disputes and distribute millions of dollars in criminal spoils.

Now the Justice Department believes it has finally destroyed the commission, largely through provisions of a federal statute, the Racketeer-Influenced and Corrupt-Organization Act of 1970 — commonly called RICO.

Under its provisions, the five reputed leaders of New York's crime factions and four of their top aides were indicted Tuesday on racketeering charges in U.S. District Court in Manhattan.

The statute has been the favorite weapon used by federal prosecutors in New York and elsewhere in an unprecedented crackdown against organized crime in the United States.

Mainly through the statute, federal prosecutors in the last two years have indicted more than 2,000 suspects, including 300 in the New York metropolitan area, who have been identified as members of traditional organized crime groups.

Before 1970, prosecutors were limited to seeking indictments for specific acts, such as the commission of a crime, or to finding witnesses who would testify about a criminal conspiracy.

A key provision of the statute prohibits the operation of an "enterprise" by a pattern of racketeering. The prosecution can prove racketeering with evidence that defendants were guilty of conspiring

to commit any two of 32 separate federal or state crimes.

The nine men indicted Tuesday were accused of a pattern of racketeering by linking them to conspiracies to commit six murders and the extortion of \$1.4 million from concrete contractors in the city. The indictment asserted that the commission had rigged bids and

### NEWS ANALYSIS

obtained kickbacks on all concrete industry projects of \$2 million or more in the city.

If convicted, each defendant faces up to 20 years in prison and an attempt by prosecutors to confiscate assets gained from the illegal enterprise.

Over the last five years, the Federal Bureau of Investigation has made cracking down on organized crime a major priority. In the New York area 175 agents and 25 Police Department detectives have been assigned full time to investigating each of the five crime factions or families.

G. Robert Blakey, an organized-crime expert who helped draft the RICO law, said in an interview that until recently federal prosecutors and investigators failed to take advantage of the statute.

"Previously law enforcement was like a wolf to a herd of animals," said Mr. Blakey, a professor of law at the University of Notre Dame in South Bend, Indiana. "Prosecutors looked for single cases, they picked off the sick and wounded, and only made the herd — organized crime — stronger."

Through the RICO statute, federal prosecutors have indicted the commission and one group, the Colombo family, as criminal enterprises.

Officials said that federal prosecutors in Manhattan and Brooklyn also expected to bring indictments against four other families — the Gambino, Lucchese, Genovese and Bonanno groups — as illegal enterprises.

Through the indictments Tues-



Paul Castellano, alleged leader of the Gambino family, leaves federal court in New York City after posting bail.

day, officials said they had reached the summit of gangster leadership in America.

"It is a great day for law enforcement, probably the worst day for the Mafia," said Rudolph W. Giuliani, the U.S. attorney in Manhattan, whose office headed the investigation.

The charges of extortion in the concrete industry, Mr. Giuliani said, was only one example of "hidden taxes" imposed by the Mafia. "Things cost a lot more in New York because of the mob," he said.

He also asserted that organized crime had been principally responsible for illegal narcotics in the city and thus "there is a direct relation to violent crime" committed by addicts.

Mr. Giuliani said an object of the campaign was to disrupt mob activities permanently by going after leaders and "people who can take over."

Mr. Blakey said the indictments of five leaders was "a major blow" to long-established crime groups. "To run a family, requires expertise," he explained. "It also proves that to be boss no longer means you're immune, it means you're indicted."

None of the purported mob chiefs indicted by federal grand juries in the New York area in the last 18 months have been tried or convicted. But Mr. Giuliani said his office had a conviction record of about 95 percent.

## '30s Bloodshed Led to Current Mafia Families

The Associated Press

NEW YORK — The Mafia's five-family structure evolved in the 1930s following a bloody shakeout of leadership.

The first top boss, Giuseppe Masseria, was murdered in April 1931 and Salvatore Maranzano assumed the title "boss of bosses" briefly before being slain five months later.

Salvatore (Lucky) Luciano then engineered a reorganization that instituted a national "commission" of top family bosses from around the United States and divided New York among five mobs.

All the families are involved in narcotics, gambling and loansharking, plus other activities, according to government documents that describe the gangs this way:

**Gambino** — biggest of the five with 250 core members, operates all over New York and reaches to Las Vegas and Florida, with interests in the entertainment, food and jewelry industries.

**Genovese** — 200 members operating in New York City and the New Jersey waterfront in pornography and labor racketeering.

**Colombo** — 115 members in New York City involved with hijacking, union rackets, pornography, cigarette smuggling and legitimate businesses.

**Bonanno** — 195 members, in New York and Arizona, in pornography, parlors, restaurants and coffee houses.

**Lucchese** — 100 members, mainly in New York City, in construction, garment and garbage disposal businesses.

## Democrats' Rift Grows; Rival Policy Unit Planned

By Dan Balz and David S. Broder  
Washington Post Service

WASHINGTON — The regional cleavage within the Democratic Party widened this week. While the party's national chairman, Paul G. Kirk Jr., announced the first appointments to his Democratic National Policy Council, a group of Southern and Western Democrats pressed forward with plans to create a party council of their own.

The Southern and Western officials, led by Governor Charles S. Robb of Virginia, Governor Bruce Babbitt of Arizona, Senator Sam Nunn of Georgia and Representative Richard A. Gephardt of Missouri, plan to unveil their Democratic Leadership Council later this week.

The second council's creators hope to provide fresh ideas for the party as it seeks to reshape its image. But the group's other purpose, according to its leaders, is to offer a haven for disaffected officials who say that the national committee is a liability in their regions.

The two organizations were the subject of intensive discussions during the winter meeting of the

National Governors' Association, which ended Tuesday. Mr. Kirk saw the Robb-Babbitt group as a potential threat to his efforts to rebuild the party. And while the two sides reached the outward appearance of harmony, skepticism persists on both.

Mr. Kirk, who won an endorsement for his group at a meeting Saturday of Democratic governors, said Tuesday he was pleased with the way events had unfolded.

"For virtually all the governors to move on a resolution to endorse the DNC, I couldn't ask for more," he said.

Mr. Kirk added that he is "not insensitive" to the concerns of the Southern and Western officials and hopes that "our objectives are common objectives."

Governor Bob Graham of Florida, a supporter of the dissident group, expressed reservations about Mr. Kirk's organization. "I don't think it can be seen as independent or credible," he said.

Mr. Kirk's organization will be headed by the former governor of Utah, Scott M. Matheson. Five governors agreed Tuesday to sit on the commission: Mr. Babbitt,

chairman of the Democratic Governors' Association; Michael S. Dukakis of Massachusetts; Richard W. Riley of South Carolina; Martha Layne Collins of Kentucky; and John Carlin of Kansas, chairman of the National Governors' Association.

The opposition council is envisioned as initially having about 20 members, divided among governors, senators and House members. Nearly all the prospective organizers come from the South and West, with the exception of Governor James J. Blanchard of Michigan and Senator John Glenn of Ohio.

"I want to offer an olive branch to Southerners and Westerners who feel estranged from what's been happening," Mr. Blanchard said.

The second group plans to develop policy proposals, showcase younger Democratic leaders and involve itself in such party issues as the presidential nominating process, according to organizers.

**Mondale Demies Retreating**  
The 1984 Democratic presidential candidate, Walter F. Mondale, said he has recovered from the fatigue that followed his election loss

and that he intends to resume speaking out about President Ronald Reagan's policies, United Press International reported.

In an interview published Wednesday in the Minneapolis Star and Tribune in Mr. Mondale's home state of Minnesota, he denied that he had retreated from public life because of emotional distress. The interview was the first he has given since the November election, when he was defeated by President Ronald Reagan.

"I wouldn't call it depression," Mr. Mondale said. "There was a period of fatigue. I mean I was bone tired. It seems those experiences just wear themselves into your psyche, so that you get so attuned to the fight that it takes a long time to adjust."

He said that "the first month or so I'd wake up at 3 in the morning still debating, still getting ready for the next speech."

Mr. Mondale, 57, has been associated with the Washington office of the Chicago law firm of Winston and Strawn. He said he would soon become a full partner, concentrating on international law, but avoiding lobbying.

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## Mauritanian Leader Says His Nation Needs Education Before Democracy

By Edward Schumacher  
New York Times Service

**NOUAKCHOTT, Mauritania** — The military officer who took power in a coup in December has said that Mauritania must first be educated before the country could be turned over to democracy.

The officer, Colonel Maouya Sidi Ahmed Ould Taya, declined to say how long that might take. But he appeared to rule out the possibility of a quick return to democracy, as the military pledged in 1978 when it overthrew the civilian one-party system.

In the meantime, he said in an interview, respect for human rights is one of three main goals he has set. The others, he said, are ending corruption and promoting national unity.

According to Western diplomats, Colonel Taya has freed all 169 political prisoners seized by his predecessor, Lieutenant Colonel Mohammed Khouna Ould Haidalla, although the former president himself remains under house arrest.

"The Military Committee for

National Salvation," Colonel Taya said of the ruling junta, "has not decided what to do with him. But don't worry about him. As I told you, we will respect human rights."

Colonel Taya chose his words carefully, at times correcting his interpreter. A leather-bound copy of the Koran and a small Mauritanian flag sat on his desk.

The colonel went to particular pains to thank the United States for its \$23 million in aid, most of it to help overcome a devastating drought. Although no one has died of starvation in recent years, according to international relief officials, the economy is in such ruin that 94 percent of the food is either donated or imported from abroad.

Mauritania, a desert nation that occupies the southwest corner of the Sahara, has a population of 1.7 million, making it one of the most sparsely populated countries.

Colonel Taya, who was head of the army, seized power Dec. 12 while Colonel Haidalla was out of the country.

In the interview Monday, Colonel Taya accused his predecessor of corruption that involved some food

aid. But Western diplomats and Mauritanian officials said a more basic factor was that Colonel Haidalla had grown too independent of the ruling junta.

Hanging over the new government have been the repercussions from the war between Morocco and the Algerian-backed Polisario Front guerrillas over the Western Sahara, a former Spanish colony. The war has threatened to spread to Algeria, dividing the five countries of northwest Africa.

The conflict in the Western Sahara is poisoning the atmosphere in the region," Colonel Taya said.

He has moved quickly to re-establish Mauritania's traditional relations with Morocco after a Moroccan-backed coup failed in 1981, and joined an alliance with Algeria and Tunisia that implicitly aligned the three against Morocco and Libya.

In an indication of military displeasure with that policy, Colonel Taya has approved the resumption of flights between Mauritania and Morocco, and an exchange of ambassadors is expected soon.

He also has moved to normalize relations with Libya. All Libyan diplomats were evicted after three earlier coup attempts, the last in 1983.

"What we really want is to have relations with all countries in the region," he said.

Neutrality is said to be in part a response to threats from King Hassan II of Morocco to send his army in pursuit of Polisario guerrillas who cross through northern Mauritania from Algeria. Mauritania's 13,000-man army has little control over the barren Saharan wastes.

Saudi Arabia and Kuwait, moreover, made neutrality — and some diplomats say the coup — all the more attractive by offering to roll over \$30 million in past-due debt. The rollover was signed weeks after the coup.

The Saudis and the French know of the coup beforehand, while the United States was caught by surprise, according to informed Europeans. France, the former colonial master in Mauritania, still assigns its own officers to the Mauritanian Army.

Colonel Taya said that Mauritania still morally supports the Polisario.

"We recognize self-determination and on that basis we recognize the Saharan Democratic Arab Republic," he said, using the name of the entity that the Polisario has proclaimed in the Western Sahara.

The military also is pushing ahead with an education program that stresses Arabic in the schools. The black minority in the south has opposed this approach, but the military has quashed dissent while also working to teach the tribal languages.



South African officials and workers demolish shacks at the Crossroads camp.

## South Africa Shifts, Says It Will Let Some Blacks Stay at Squatter Camp

By Alan Cowell  
New York Times Service

**JOHANNESBURG** — The authorities say they are prepared to develop the Crossroads squatter camp outside Cape Town as a black residential area, apparently abandoning plans to raze it.

However, Gerrit Viljoen, the white minister responsible for the destinies of blacks, told Parliament in Cape Town on Tuesday that some blacks in the camp who refused to cooperate with his plan for redevelopment could still face compulsory resettlement.

Last week, 18 people died in clashes prompted by rumors that the squatter population was about to be forcibly removed. Rightist whites opposed to the government's racial policy said Tuesday that the minister's announcement represented a capitulation to black pressures.

The move seemed to represent a further departure from Afrikaner Nationalist orthodoxy that holds that there should be no permanent black residents in the area around Cape Town, which is reserved for whites and people of mixed racial descent.

The announcement represented the second concession in a week by the white authorities toward blacks in the Cape Town area, but seemed offset by a threat of forcible action if the official blueprint was ignored.

"I am prepared to allow the upgrading and development of the areas on which the Crossroads and KTC squatter camps are situated,"

Mr. Viljoen said, provided the bulk of the squatters there "cooperate in the renewal of these areas." KTC is the name given by residents to a squatter camp in an area adjacent to Crossroads.

Previously the government had insisted that all Crossroads residents be moved to a new township between 60,000 and 100,000, to be moved to a new township for black people at Khayelitsha, 10 miles (16 kilometers) away.

Crossroads residents have resisted the move because, they say, the cost of living in the new township will be higher and they fear the authorities will use the relocation to send "illegal" residents back to the tribal homelands they left to seek work in Cape Town.

The government's initial plan was that all blacks around Cape Town should be moved to Khayelitsha, but last week Mr. Viljoen said residents of the legally ac-

knowledgeable black townships of Langa, Nyanga and Guguletu would be permitted to stay on and acquire 99-year leases.

By the minister's estimates, there are 10,000 shacks in Crossroads, but there is room on the cramped area for only 3,000 houses. That means that 7,000 families — at least 40,000 people — still face the prospect of forced removal to Khayelitsha.

The minister indicated in Parliament that Crossroads residents could be forcibly resettled if they refused to move to Khayelitsha.

Many residents of Crossroads live there in open violation of South African laws that seek to control the numbers of blacks in the major urban areas. However, Mr. Viljoen said he was prepared to negotiate with the "illegals." At Khayelitsha, the authorities have set aside an area for what is termed "orderly squatting" by such persons.

## Aquino Trial Suspended As Several Witnesses Fail to Appear in Court

The Associated Press

**MANILA** — The trial of General Fabian C. Ver and 25 others for the murder in 1983 of an opposition leader, Benigno S. Aquino Jr., was suspended Wednesday after several witnesses failed to appear.

The presiding justice, Manuel Pamaran, ordered prosecution lawyers to find the witnesses by Monday, when the trial is scheduled to resume.

The witnesses included four private security guards at the airport and a cargo loader who gave testimony before a fact-finding board contradicting the military claim that the opposition leader was shot by Rolando Gaiman, an alleged Communist agent.

The 26 men on trial, including General Ver, who was the armed forces chief, are charged with the killings of Mr. Aquino and Mr. Gaiman. The two men were killed at the Manila airport on Aug. 21, 1983, as Mr. Aquino returned after three years of self-exile in the United States.

The fact-finding board had concluded that one of the five soldiers who took the former senator down from the plane was the assassin.

One witness who showed up at the courthouse was Carlos Lotena, an airline ground engineer. He told the board he saw Mr. Aquino shot from behind as he was being taken by soldiers down a stairway from the plane, but he later recanted his testimony.

Prosecutors said they had not decided whether to put him on the witness stand because of his conflicting statements.

After telling the court that his witnesses could not be located, the chief prosecutor, Manuel Herrera, told reporters: "I hope they will be able to testify. We'll try our best to locate them."

Sheriffs said the five had left their jobs and moved out of their homes without leaving new addresses.

Sheriffs in their official report to the court said the subpoenas for three airport guards — Efen

Ranas, 22, Olivia Reyes, 20, Wilson Ilaos, 32 — and their supervisor, Ramon Layoso, 57, were not served because they could not find them in their security agency offices or at their known addresses.

The officials said they were told that the fifth person, Fred Vesca, 27, an airport cargo loader, had moved.

Two of the four had expressed fear for their lives when they testified before the fact-finding board last year. None of the five said they saw the actual shooting.

Prosecutors said another witness, Ramon Balang, an airline ground engineer, had agreed to testify next week. Mr. Balang told the board Mr. Gaiman was in no position to shoot Mr. Aquino because he was surrounded by soldiers and appeared to be smiling when Mr. Aquino was killed. Mr. Balang also said he did not see the killing.

Another prosecution witness scheduled to testify next week is a woman passenger on Mr. Aquino's plane who came out of the plane crying hysterically. She is believed to have seen the actual shooting.

## Boycott Stymies Japanese Diet

The Associated Press

**TOKYO** — Major opposition parties began Wednesday what could be a protracted boycott of all proceedings in the Diet, Japan's parliament, after the ruling Liberal Democratic Party would not agree to demands for an income tax cut.

The boycott was called after the party declined Tuesday to respond to the opposition's proposed revisions of the budget for the 1985 fiscal year, including tax cuts of 1.1 trillion yen (\$4.2 billion).

The walkout is expected to stop all Diet deliberations this week and could keep the Liberal Democratic Party from its goal of passing this year's budget before the start of the fiscal year on April 1.

## In Tokyo, an Existence on the Margins of Society

### Skid Row, Japanese-Style, Attracts Alcoholics and Those With Nowhere to Go

By Susan Chira  
New York Times Service

**TOKYO** — There are no clear signposts to Sanya, home of this city's outcasts.

As in so many Tokyo neighborhoods, the narrow streets nearby are lined with coffee shops and noodle shops, tiny bars and ferro-concrete apartment buildings. But past the intersection where condemned men were once led over the

"bridge of tears" to be executed, the clues begin.

Here, in what most of the world sees as orderly, clean, comfortable, middle-class Japan, men wander about drinking from sake bottles, the dirt ground under their ragged clothes. They jeer at passing women. They crouch outside boarding houses and crowd into open-air bars for a drink and a bet.

Some mumble to themselves, or ramble about their experiences in World War II. Others warm themselves by fires, and sometimes, too tired or too drunk, they fall in and burn themselves.

Most residents of Tokyo know Sanya merely as a place to avoid, where, they say, a very un-Japanese type of people live — dirty, rude, poor, potentially violent.

But Sanya intruded on public notice after a recent murder. A gangster shot and killed a filmmaker whom he mistakenly believed to be allied with the leftist groups the gangsters despise. The killing touched off a riot that brought hundreds of policemen to Sanya. They stayed for a few hours, restored order and left.

Throughout Tokyo's history, the area now called Sanya, a part of eastern Tokyo not marked as such on any city map, has been a feared place. From 1600 to the mid-1800s, when Tokyo was called Edo, hundreds of thousands of prisoners were executed nearby. The modern Sanya was created after World War II, when Tokyo's homeless were sheltered there in tents. Now there are 197 boarding houses within Sanya's 395 acres (160 hectares).

Since the war, Sanya has been home mostly to day laborers, men who line up each morning to wait for construction crews to pick them out for a day's work at a site. It also is home to the mentally ill, the acutely alcoholic, the gangsters who prey on them and the leftist fringe groups that offer help and point to Sanya as an example of official callousness. The government estimates the district's population at 7,000.

The residents of Sanya live outside all the categories that normally define, and support, an individual in Japan: company, community, family. They defy convention, some because they want to, but many others because they have nowhere else to go.

Public officials tend to talk about Sanya as if onplanned by people who they believe deliberately set themselves outside the social order. Yuji Mori, deputy director of the Tokyo city government's Sanya office, said the Sanya people chose to live as they do.

"They want freedom," Mr. Mori said. "They hate any kind of restrictions, even the bonds of family."

The Reverend William J. Grimm, a priest from the Maryknoll order in the United States, who with other clergymen has established a soup kitchen, tempo-

rary shelter and medical clinic in Sanya, thinks the reality is more disturbing. Some have rejected society, he said, but others — the mentally ill or alcoholics — drift to Sanya because society has rejected them.

There are people living on Sanya's streets, too, who cannot afford to pay for boarding houses, which may put six men up in one small room. When there is work, there is money, and some laborers maintain bank accounts. How many do not and have to sleep on the streets is a matter of debate.

A group of Japanese and American clergymen who have set up a shelter in a small church estimate that 200 to 300 people sleep on Sanya's streets every night, but the Tokyo city government believes that figure is exaggerated. It has put the number of Tokyo's homeless at about 1,000, with most sleeping near the huge commuter stations of Shinjuku and Ueno.

There is disagreement, too, over the toll that life in Sanya exacts. The Tokyo city office says that 37 people died in Sanya in 1984, from alcohol-related illnesses, exposure or other causes. Dr. Masahiko Katori, a physician who works one day a week in a nearby welfare center, estimates that 90 to 100 people died on the streets alone.

Mr. Mori said he considered the government's most important task that of helping Sanya residents find jobs, rather than establishing alcoholism centers.

The government provides unemployment benefits, welfare payments, a medical clinic and government-supported job placements. During the weeklong New Year's holiday, when the country shuts down and there is no work to be had, it also provides free shelter and distributes food.

Mr. Mori said that conditions in Sanya had improved considerably from 10 or 20 years ago, with boarding houses cleaner and cooler in the summer.

Sanya's population of day laborers is shrinking, down from 15,000 in 1964, when construction for the Tokyo Olympic Games provided plenty of jobs. Those who remain in Sanya are growing older, their heads and their health more clouded by alcohol.

The Tokyo Metropolitan government says 50 percent of Sanya residents were older than 40 in 1980, and 17.2 percent were over 60. Last year 41.4 percent of Sanya's residents had been there more than 10 years.



**SANGUINE MESSAGE** — Lee Mong Doo, a South Korean, writes an appeal in blood in Tokyo demanding that Japan help gain the return of his father from Sakhalin in the Soviet Far East. He said his father, Lee Kyung Kan, 76, was first taken away by the Japanese during World War II to work as a coal miner in Japanese-controlled Sakhalin. He is one of the estimated 3,500 Koreans remaining in the Soviet Union.

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## SCIENCE

## AIDS Fear Underlines Growing Importance of Blood for Medical Treatments

By Lawrence K. Altman  
New York Times Service

DESPITE the recent announcement by federal officials that the long-awaited AIDS blood test would be delayed at least until the end of next month, there is a palpable sense of relief among many doctors and the public that a reliable test will soon be available.

Implicit in the optimism is this fact: Blood has become a cornerstone of modern medicine, more significant to treatment than many drugs. In the United States, doctors prescribe about 12 million transfusions for about 3.5 million patients each year.

The new test, though not perfect, is expected to detect almost all blood contaminated by the virus that causes the fatal acquired immune deficiency syndrome, or AIDS, before it gets into the blood-supply system. Thus the test is expected to restore confidence in the integrity of the blood supply, whose uses are more varied and essential than physicians could have imagined only a decade ago.

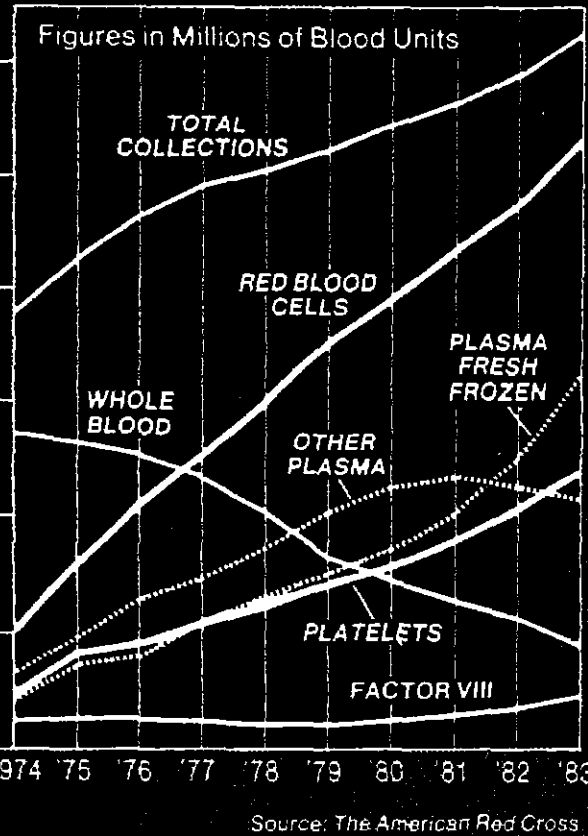
In recent years blood products have been used to significantly increase the success of organ transplants, to improve the care of newborns as well as of older people, to make possible the development of more effective cancer chemotherapy and to protect against several infections.

"Blood transfusion has had an impact on the practice of medicine beyond any single antibiotic," said Dr. Johanna Pridyck, vice president and director of the New York Blood Center.

"It is a toss-up between transfusions and anesthesia as to which has had a greater impact on surgery," she said. "You could put people to sleep and still not do the procedures that you are able to do now if it weren't for blood transfusions. Moreover, the whole health care system could not have developed without blood."

## Blood and Its Valuable Parts

While use of whole blood declines, use of fractionated blood climbs.



Source: The American Red Cross

The fractionation of a unit of blood into its many component fluid and cellular parts has made blood a crucial tool of medical practice.

A half-century ago, a blood bank was called on to supply only two items, whole blood and plasma, the

platelets, plasma, albumen and Factor VIII for hemophiliacs. Modern medical practice calls for giving patients only the specific fractions they need, not units of whole blood.

The threat posed by AIDS has been severe. In the summer of 1983, panic and misunderstanding over AIDS led many people to stop donating blood, and unusually large shortages developed in some areas of the country.

Despite the relatively small risk, almost everyone who has received a blood transfusion lives with the fear of developing AIDS.

The threat has been particularly severe for hemophiliacs, who rely on Factor VIII, a substance in the blood that promotes clotting. Hemophilia, a hereditary disorder that can lead to uncontrollable bleeding, is characterized by an absence of Factor VIII.

For the population at large, the fear of contracting AIDS through blood and blood products has far exceeded the number of cases traced to such transmission. Only 177 patients, including 61 hemophiliacs, have come down with AIDS as a result of transfusions of blood or blood products. There had been 8,314 cases of AIDS reported to the Centers for Disease Control in Atlanta as of Feb. 11.

Blood transfusions are the most successful of all transplants, and transfusions are used most for surgical patients. In New York about 10 percent of the blood used is for coronary bypass surgery and other open-heart operations. William J. Schroeder, the second recipient of a permanent artificial heart, has had more than 30 transfusions.

A national study done in 1979, the latest available, found that considerable blood was also used for hip surgery to repair fractures and damage caused by arthritis, because these procedures can lead to the loss of an extraordinary amount of blood.

The study, by Dr. Bruce A. Friedman at the University of Michigan, showed that the other leading conditions requiring blood transfusions are intestinal bleeding, peptic ulcers, anemia, cancer and aortic aneurysms, or ballooning in the wall of the body's main artery.

One of the most surprising and dramatic medical advances has resulted from the use of transfusions in kidney transplant surgery. Survival is extended if transfusions are given before transplants. The optimal number seems to be five transfusions.

A less spectacular but equally important development has been the impact on preventive medicine. A vaccine made from the blood of carriers of the virus that causes the liver infection hepatitis B is highly effective against that disease.

Injections of gamma globulin, prepared from blood, are effective in helping to prevent hepatitis A, chicken pox and rabies. Development of forms of gamma globulin that can be injected into the veins has made less painful a treatment of a congenital form of immune deficiency that is unrelated to AIDS.

Jaundice of the newborn, a potentially fatal condition that is due to incompatibilities of Rh blood types between father and mother, has almost become a thing of the past, thanks to routine Rh immunization of mothers whose children are at risk.

Several medical and surgical treatments have improved chances for survival of premature infants weighing less than 2.2 pounds (1 kilogram), as well as for those born at full term who become sick. Tiny babies need tiny amounts of blood. Some premature newborns may be no more than 100 milliliters, about three and a half ounces.

Although chemists have developed methods to do standard medical tests on just a few drops of blood, pediatricians still must draw a little more than a teaspoon of blood each time they measure bilirubin and other chemicals that are critical in guiding therapy for sick infants and premature infants. Each removal can present a loss of about 10 percent of a premature infant's blood.

"Probably 90 percent of our blood transfusions are to replace blood taken for sampling," said Dr. Alistair G. S. Philip, head of neonatology at Maine Medical Center in Portland.

Use of sterile plastic bags has allowed doctors to divide one unit of adult blood into small amounts that can be used for a baby over a period of several days, so the re-

mainder of a whole unit of blood does not have to be discarded after each transfusion.

Transfusions are one of the hidden reasons for success in drug treatment of cancer. In the early days of chemotherapy, bleeding was an important cause of death because the drugs destroyed so many platelets, the fragments that help blood clot. Now platelet transfusions are available. The modern treatment of leukemia and other blood system disorders with drugs and bone marrow transplants would be impossible without platelets.

In organ transplantation, genetic testing of blood HLA (human leukocyte antigens, used to match tissues for transplant) provides closer

matching of the donated organ and the recipient. HLA tests are sometimes associated with certain diseases and are used in research and to help make diagnoses. HLA and other immunological tests are also now used for more accurate determination of parentage.

Although so much depends on donated blood, each transfusion has its hazards. There is the risk of mismatches, which occur in about one in 10,000 transfusions. There is the risk of other infections besides AIDS, particularly non-A, non-B hepatitis and cytomegalovirus infection.

The goal of many researchers is to replace human blood with synthetic blood or a blood substitute. But though some researchers have

created a group of chemicals known as the perfluorocarbons, so far the products have not lived up to expectations.

Meanwhile, researchers have developed techniques to freeze blood and store it for up to three years. The technique usually is reserved for people with rare blood types. Personal stores of frozen blood are not feasible on a large scale, primarily because most people die without ever needing a blood transfusion. Even if they do need one, they may be in one place and their frozen blood in another, thus defeating one of the most remarkable aspects of blood supply: the elaborate yet logical system that has grown up to collect and distribute this most essential bodily fluid.

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## Implant Could Pick Up Amputee Nerve Impulses

By Daniel Q. Hancy

CAMBRIDGE, Massachusetts — Amputees may someday be able to connect themselves directly to computer keyboards and type simply by thinking, thanks to an implantable silicon chip that detects nerve impulses, a scientist says.

The chip could also have many applications in building better artificial limbs, bridging broken spinal cords and helping the deaf to hear, said Dr. David Edell of the Massachusetts Institute of Technology.

The idea is to pick up the faint electrical current in an amputee's stump and to translate these impulses into the kind of current that could be used to move an artificial arm or direct a computer.

## Einstein Had Extra Cells In His Brain

United Press International

BERKELEY, California — An anatomy professor who has studied sections of Albert Einstein's brain says the scientist had 73 percent more of a certain kind of cell than does the average brain.

Professor Marian Diamond of the University of California at Berkeley spent the past six months slicing apart bits of the physicist's brain and counting the cells.

There are two kinds of brain cells, she explained. Neuron cells do the thinking and conduct nerve impulses while glial cells, or neuroglia, supply nourishment and do the more mundane chores.

In part of the left side of Einstein's brain, Professor Diamond found 73 percent more glial cells for every neuron than in the average brain. That might be the reason Einstein was so smart, although she said she could not be sure.

Professor Diamond said she got the idea for the project after seeing a picture of Einstein's preserved brain in an old science magazine. But the brain was owned by a Missouri pathologist, one of the doctors who did the autopsy on the physicist after his death in 1955, and he was reluctant to part with it.

After three years of cajoling, he sent four small chunks.

"It was rather an overwhelming feeling," she said. "There I was, looking at the brain that came up with the theory of relativity."

Professor Diamond has spent years studying the neuron-glial relationship in rats. She found that rats that were given lots of treadmills and other things to play with and exercise on develop more glial cells for every neuron, as Einstein had.

"The only purpose of the implant is to get the information piped outside, where it can be processed and manipulated by a computer system that would interface with some sort of mechanical device," Dr. Edell said.

Dr. Edell, a physiologist and engineer, has been building and testing the chips for nine years.

"If someone loses an arm, the nerves that were destined for the fingers, the wrist and other missing parts are severed. But the ends of these nerves remain. Inside these nerves are tens of thousands of signal carriers, called axons, that tell muscles when to move."

Dr. Edell's invention is a silicon chip one-sixth of an inch long, one-tenth of an inch wide and the thickness of a hair. When it was implanted in lab animals, severed nerves grew through the openings in a grid carved into one end. The grid picked up impulses that ran along the nerves' axons.

Finding a way to tap into these nerve messages is a major goal of the research, but more technological problems will have to be worked out before the chips can make life easier for amputees.

One step will be to etch circuits onto the chip. These will encode the information and shuttle it out on a wire. Then the nerve impulses could be translated into ordinary electricity that, with the help of a computer, could move the artificial arm.

"If we can succeed in making this interface a clinically useful technology, it should be possible to bring out control signals that are very closely related to the original muscle function," Dr. Edell said.

"Once this is available, industry could produce a sophisticated artificial arm that could have similar capabilities to the original arm."

"At the very least," he said, "we should be able to make a link that would allow people to type and operate other computer-controlled machinery in industry," such as lathes and drill presses.

Here the stump would be connected directly by wire to a computer terminal. The amputee could type by thinking something like: "Press 'y' with my index finger."

Dr. Edell said this kind of system could be built within about three to five years.

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## IN BRIEF

## Slime May Have Been 1st Land Plant

TEMPE, Arizona (NYT) — Evidence that plants may have colonized dry land 1.2 billion years ago — three times earlier than indicated by the fossil record — has been reported by geologists at Arizona State University in Tempe. The plants may have been nothing more than a primitive green slime, but they left the telltale carbon signature of plant life on the land surface.

Dr. Paul Knauth, who headed the study, said that the ancient land surface, of the type known as caliche, had been found in a canyon east of Phoenix. The deposit is believed to be 1.2 billion years old.

Its carbon content was deficient in carbon 13. "Exhalation" into the soil of carbon dioxide deficient in carbon 13, he said, is characteristic of plants. Because caliche always forms on land, rather than under water, Dr. Knauth said he assumed its carbon came from land plants.

## Tracking Rhino in Order to Save It

KATMANDU, Nepal (AP) — The Smithsonian Institution in the United States and the Nepalese government are cooperating in a study of the habits of the one-horned Indian rhinoceros in the dense tropical forest of southern Nepal.

Dart shotguns will be used to knock out 15 rhinos, who will then be collared with radio transmitters for tracking. The findings will be used in framing conservation measures.

The one-horned rhino, long on the world list of endangered species, is found only in two places, both in Asia. An estimated 800 survive in Assam, India, and another 350 in Nepal's Chitwan forest.

## Shuttle May Help in Cancer Research

CAPE CANAVERAL, Florida (UPI) — Space shuttle experiments scheduled for March and August flights could pave the way for breakthroughs in the development of new drugs to fight cancer and other ailments, it was reported in Aviation Week & Space Technology.

The magazine said that researchers hope to grow protein crystals of exceptional size and purity in the weightlessness of space. Such crystals grown in Earth's gravity are too small to allow easy analysis.

By studying the molecular structure of the larger space crystals, scientists hope to design drugs that can work with or against similar molecules in the body.

## Open Seas Have Fish-Farm Potential

WASHINGTON (AP) — Scientists at the Smithsonian Institution report after two years of research that sea farming in tropical waters has an enormous potential for producing cheap, plentiful supplies of fish for a hungry world. Dr. Walter H. Adey of the Smithsonian said open-sea fisheries might well produce fish at 10 cents to 30 cents a pound (22 to 66 cents a kilogram) with simple equipment that fishermen in underdeveloped countries could easily be trained to use.

Dr. Adey said his research team had found evidence of abundant plant life in the open seas, contradicting a long-held belief that they are low-nutrient deserts.

## Protein-Rich Rice Flour Developed

WASHINGTON (NYT) — Agriculture Department scientists say they have developed a technique for producing a rice flour that is three times richer in protein than standard rice flour and could help reduce malnutrition among children in Third World countries.

Linn P. Hansen, a food chemist with the department, said the flour, called CHP-rice flour, contains 25 percent protein, compared with 8 percent for standard rice flour. Wheat flour has about 12 percent protein.

The new processing method, which the department is making available for commercial use, involves adding an enzyme from the fungus *Aspergillus oryzae*, commonly used in the food processing industry, to a rice flour solution.

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# Herald Tribune

Published With The New York Times and The Washington Post

## The Way to Help Duarte

A single personality made the difference last year when the U.S. Congress responded generously to the appeal for help from President José Napoleón Duarte of El Salvador. That honest, reform-minded Christian Democrat made friends out of doubters by promising to end human rights abuses and start talking with his guerrilla adversaries. Six months later, the bipartisan U.S. consensus on El Salvador is in trouble because Mr. Duarte is in trouble.

His very success in attracting U.S. aid, about \$825 million this year, has been misread by his right-wing rivals as a blank check. With a majority in the Legislative Assembly, they have written a tricky new election law to let conservative parties pool their votes after the next elections, on March 31. Mr. Duarte vetoed the law but was overruled by a Supreme Court whose members were chosen by the same assembly. A bigger right-wing majority, the likely outcome, means bigger troubles for Mr. Duarte, and thus for his U.S. support.

The assembly also controls the attorney general's office, through which the right-wingers are blocking Mr. Duarte's efforts to prosecute human rights offenders. And when the president formerly appointed a commission to investigate five notorious murders, the assembly refused funds. That is why there has been no pursuit of the killers of Archbishop Oscar Arnulfo Romero and two U.S. labor advisers, or of those responsible for the 1983 massacre of peasants at Las Hojas. The far right wants all such matters dumped in a memory hole.

So cornered, Mr. Duarte has also had to suspend the peace talks he began last Novem-

ber. What started bravely as the first real effort to negotiate an end to the five-year civil war sputtered to a halt when leftist rebels demanded the moon: power sharing and a merger of armed forces as a condition for laying down their arms. Thus have the left and right combined to shrink Mr. Duarte's middle ground.

Despite these setbacks, there have been some clear gains, as the Reagan administration points out. Death squad killings have declined dramatically. Some known killers have been banished from the armed forces, and the insurgents were unable to mount any successful offensives in 1984. But the army's better performance has been marred by persistent reports of aerial attacks on noncombatants in villages that it suspects of harboring guerrillas.

The United States is hardly neutral among the contending forces. It is and should be firmly committed to Mr. Duarte's attempts to build democracy and end the civil war on decent terms. Congress proved its fidelity to him last year. The best way to do so again may be to tie useful strings to America's help.

Conditionality works. Although President Reagan scorned the human rights conditions formerly attached to aid, they were surely helpful in persuading the Salvadorean Congress against the death squad killings. Congress could now demand real support for Mr. Duarte's inquiry commission and proof that the conventions of war are not being violated by air attacks. The purpose of U.S. aid should be not only to keep Mr. Duarte in office but to help him carry through his program.

—THE NEW YORK TIMES.

## When the Buck Stops

Inflation remains relatively low in the United States, according to the consumer price index for January. And the dollar has once again been rising rapidly on the foreign exchange markets. There is a connection. The pattern has been clear for some time, and it is going to affect the way the American economy works for the rest of this decade.

The rising dollar makes imports cheaper for Americans. Its influence is not limited to imported goods alone; it also forces those businesses that compete with imported goods to hold their own prices down. But businesses that do not have to worry about foreign competition are under much less pressure to restrain their prices, and those are the businesses in which inflation is now concentrated.

If you take the consumer goods most affected by import prices—fuel, clothing, furniture and new cars, for instance—you find that price increases there averaged barely 1 percent during the past year; in comparison, prices for all consumer goods and services rose 3.6 percent. As for the items showing price increases much higher than the average, all were among those that imports do not affect: The cost of shelter rose more than 5 percent during the year; medical care was up 5.8 percent; personal and educational expenses rose 9.1 percent.

The things on which American consumers spend their money fall into two roughly equal categories: commodities, meaning tangible goods including food, and services, which, as the government statisticians define the term, include the home. In the past year the price increases for all commodities averaged just over 2 percent. For services the figure was 5.1 percent. Many commodities have to compete with imports. Few services do.

Thus, in terms of inflation, the United States now has a split-level economy. Half of it, feeling the chilly wind of foreign trade, has held its prices remarkably stable. The other half, out of the wind, has quite a high inflation rate. This pattern is, unfortunately, entirely reversible. At some point the dollar will stop rising against other currencies.

Then there will no longer be falling prices of imports to offset the rapid and steady increases elsewhere, and the consumer price index will begin to move upward faster. If the dollar should fall against other currencies, the prices of imports would go up and the CPI would rise faster than ever. That is why the rise of the dollar—now entirely unpredictable in its movements—will probably determine the timing of the next American recession.

—THE WASHINGTON POST.

## Other Opinion

### For Salvadorans, Little but War

A special report prepared for Congress confirms what many have suspected about the Reagan administration's strategy in El Salvador—it is a short-term fix designed to suppress the rebellion, and it fails to deal with the long-range problems that are the causes of the strife. The effect of the policy is to make less likely a realistic and lasting solution.

The report (concludes) that President Reagan's oft-repeated claim that three-fourths of U.S. aid to El Salvador goes for economic rather than military assistance is not true. Only 15 percent of U.S. aid has been spent on long-range reforms. The bulk has gone for military and military-related activities.

Another cease-fire, not an escalation of the war, is a prerequisite for negotiations. Once the killing has stopped, discussions aimed at creating a more broadly based Salvadoran government can begin. That new government must include the opposition leaders who now see guerrilla warfare as the only means left to them to effect change in El Salvador. The prospect for that sort of settlement is made less likely with each escalation of the war.

—The Los Angeles Times.

### For and Against Small Farms

The most pernicious phrase in the American language today is "larger, more efficient farms." It reflects the conventional urban wisdom that because farms in general have been

getting fewer but larger, that must be good. Progress is whatever happens.

The idea that the family farm might be the most efficient unit of production in agriculture has simply been abandoned. Every family farm that goes under proves the rule, every corporate farm giant that fails is the exception that proves the rule. This new agrarian myth is behind the assumption in public policy today that the current farm crisis is only a necessary "shakeout" of the least efficient farmers and that once we are through that, the industry will be stronger and healthier and more self-sufficient. That is an attractive theory to urban politicians. It is also garbage.

—The North Platte (Nebraska) Telegraph.

The "family farm" rallying cry would probably have lost all effectiveness decades ago if there were not two U.S. senators from every state. Only by drastically scaling back government involvement and by allowing competition can U.S. farming achieve the efficiency to again become the low-cost producer and be able to compete effectively in world markets.

True, the result will be fewer small farms and fewer small banks, grain elevators and even small towns. But attempts to reverse the tide can only mean more subsidies thrown at an increasingly noncompetitive farm sector that will require still more subsidies. Small farms and rural communities could be preserved, but they would be expensive museums.

—A. Gary Shilling, a New York-based economist, writing in the Los Angeles Times.

## Cheer and Worries for China's New Year

By Bob Boorstin

NEW YORK—One of every four of us here on Earth celebrated the new year on the eve of Feb. 20. As they lit firecrackers and munched moon cakes, many Chinese had good reason to be bullish about the Year of the Ox.

By any reckoning, last year was a success for Beijing's foreign policies. An agreement with Britain concerning Hong Kong solved a nettlesome problem and provided a "carrot" to put before compatriots in Taiwan. More important, the regime managed to improve relations with both the United States and the Soviet Union.

In rural areas, incomes are rising rapidly. The success of the so-called responsibility system—the end of agriculture by commune—is visible in the offerings of free markets nationwide.

There are signs that the country's acute housing shortage is improving as new construction projects rise on almost every block and hill.

Consumer goods abound. Television antennas sprout from country shacks. Coveted clothes from Hong Kong and Shanghai are available.

Young people who were once classified as "waiting for employment" are taking advantage of the chance to start their own enterprises. Not surprisingly, street crime has declined.

The government's blunt appraisal of the fallibility of Marxism-Leninism—arguably the most important event in the world in 1984—was generally greeted with enthusiasm in China.

But behind economic growth lurk questions that dampened spirits for the new year and that threaten the nation's long-term goals.

Rural incomes are rising, true enough, but the great mass of China's bureaucrats, who are banned from participating in private ventures, find themselves falling behind in the economic race. When rumors of price increases wafted through Beijing offices in November, a buying spree broke out in Wangfujing, the busy shop-

ping area. The leadership moved quickly to calm fears, promising income adjustments before prices go up, but the smell of an "office workers' revolt," as one intellectual calls it, is as heavy as the coal dust in the winter air.

Without the active help of these bureaucrats, who have the power to turn declared policies into

**No economic reform program, however sweeping, can keep up with the exploding population.**

reality, Deng Xiaoping's version of the Great Leap Forward will slow to a crawl. Office workers are not yet ready to trade the advantages of urban life for the promise of riches in the fields, but their concerns cannot be ignored.

Equally vital to the success of economic reform must be new attempts to tackle the yawning problems of China's undeveloped infrastructure. Big changes are promised this year: reform and expansion of airline service, continued modernization of railways and construction of major highways linking urban centers. Such projects require great outlays of capital and careful planning; without them, China's vast inland will remain an economic backwater.

With the recent announcement that more coastal areas are opening for foreign investment, it seems clear that Mr. Deng and his followers will open the door to the West even wider. Yet the Chinese have learned that imports of technology and expertise bring unwanted cultural baggage. Along with help in drilling for oil has come

Michael Jackson's music. The leadership's task now is to tame the expectations of young people while maintaining incentives to participate in the motherland's modernization drive.

The importing of investment and expertise has also brought a tide of corruption. In one of China's so-called special economic zones, Shanghai, "gifts" of color television sets and refrigerators are now necessary to start negotiations. A campaign to root out graft is high on one Beijing official's list of new year's resolutions.

Hovering above all this is the old problem of controlling population growth. The responsibility system and changes in welfare policies mean that rural couples are again producing enough children to till the fields and provide security for old age. The one-family, one-child policy, with its posters of smiling parents and an angelic little girl, is in the doldrums as it enters its sixth year. No economic reform program, however sweeping, can keep up with the exploding population.

Prosperity is high on everyone's list of hopes for the new year, but in China politics never lags far behind. This has been the traditional time when Chinese give offerings for long life. One assumes that the diminutive Mr. Deng has been in many of his countrymen's prayers.

He seems to be in fine form as he enters his 81st year (perhaps the Soviets just choose their leaders badly), but much depends on the giant shadow that he casts. His attempts to ease out foes and put trusted lieutenants into positions of responsibility seem to augur well for continuity. But some hard-line Maoists, many of whom rose to prominence during the Cultural Revolution, continue to threaten the pragmatic line.

The writer is working on a biography of Edgar Snow and recently returned from his third trip to China. He contributed this to the Los Angeles Times.

## To Assay a Family Farm, Ask the Right Questions

By Wendell Berry

PORT ROYAL, Kentucky—David Stockman, the Reagan administration's budget director, is the latest remote observer to conclude that the "farm problem" reduces to the proposition that there are too many farmers. This licenses the further proposition that it is good for agriculture when a lot of farm families go broke and lose their farms.

If Mr. Stockman were speaking for himself, he could be ignored. What matters is that he represents an attitude that has been dominant in the official quarters since Ezra Taft Benson was agriculture secretary in the Eisenhower administration.

Mr. Stockman, a key member of an administration that would abandon farmers to the justice of the market, assumes that the continuing dispossession of thousands of farm families is merely good economics. "That is the way a dynamic economy works,"

he says, and he is "encouraged," and he suggests that they are compensated for by "massive explosions of new jobs and investments . . . occurring elsewhere, in Silicon Valley."

I disagree with Mr. Stockman. Does he talk in that way because he does not care, or because he does not know? I conclude that he does not know, for his assumption that it is good and just to let economics determine the practice of agriculture precludes an interest in the quality of farming. Mr. Stockman does not have the right answers because he has not asked the right questions.

The questions, nevertheless, are there to be asked, and the failure to ask them is to invite agricultural failure worse than America now has.

The most important question is whether good farming can be understood as an industry. The answer is that it cannot be so understood. The reasons are complicated but they may be summed up in two facts: first, farming depends upon living creatures and biological processes, whereas the materials of industry are not alive and the processes are mechan-

ical; second, a factory is, and is expected to be, temporary, whereas a farm, if it is well farmed, will last forever—and if it is poorly farmed it will be destroyed forever.

A second question, therefore, is whether the most productive agriculture is necessarily the best. The answer is that it is not necessarily the best, for good agriculture requires soil conservation and other forms of maintenance as well as productivity. Present tragic soil erosion rates suggest that high agricultural yields are coming at an enormous cost, which sooner or later will have to be paid.

How is soil to be conserved in agriculture? The basic methods have been available for hundreds of years, but they can be used only by farmers who know how to use them.

who can afford to use them and who have the desire to use them.

Where do you get such farmers? There is little likelihood of being able to hire them in Silicon Valley in some future time of "disinvestment" in the computer industry. The only known way to get them in substantial numbers is to rear them on farms, in farming families that are not too strapped for time or money to farm well. In America, because of belief in the private ownership of property, this means that farmland must be divided and owned in small parcels and that farms, farmers and farm communities must thrive.

Finally, we must ask if Mr. Stockman's "dynamic economy" is, as he thinks, eliminating the "inefficient" farmers. One doubts that a mere

economy can enact such a judgment. A more dangerous likelihood is that the farmers being eliminated are the young ones trying to get started.

The argument in favor of a stable, soundly established population of farming families involves many more questions than those. But even so few suggest inescapably that good farming involves a long-term connection between particular people and particular parcels of land. To subject this connection to an economic determination necessarily indifferent to it is to destroy it—and, finally, to destroy ourselves. For Americans are not just a crowd of separate individuals competing for spoils in a "free market." America is a community and a land.

Mr. Berry, author of "The Unsettling of America," is a writer and farmer. He contributed this to The New York Times.

## For Her There Was More To Farming Than Profit

By James R. Jackson

WASHINGTON—For nearly 92 years my maternal grandmother, who now rests under the Kansas prairie she loved, assumed that the universe revolved around western Kansas. Oh, if you had asked her in so many words she would probably have laughingly denied that. But her first principle was that bread is as basic as it gets, and those who farm who produced it were doing God's work. She was by no means alone in this belief.

In the weeks after the attack on Pearl Harbor, incredible as it seems in hindsight, the hamlets of western Kansas and eastern Colorado were blacked out at night. I can remember Art Larson, who ran the lumber yard and was a block warden, tapping on our window to tell us that light was

showing through. The rationale was simplicity itself: The only way the Axis could hope to win was to destroy America's food supply.

There are still millions of Americans who share that feeling. Many of them have been or are going to be forced off the land and out of a cherished way of life in the nation's worst agricultural crisis since the 1930s.

There is no reason America cannot have a farm policy that can help preserve the family farm, which is still the mainstay of agricultural production. For starters, there is no reason to make price support payments to large producers, whose sales are \$500,000 or more annually.

Family farmers are worth saving. Most are not greedy. It is not uncommon for a farmer capitalized at \$1 million to receive a 1-percent return on his investment. If he wants to stay in business, he ought to be helped.

The farm culture has a value far beyond its impressive production figures and bottom-line considerations. Grandmother had a true sense of the land. If you didn't own land, you had nothing, she felt. She held on to the land until she died. She held on to the land until she died. She held on to the land until she died.

My first reaction was shock. Was that why I had spent all those blistering 12- and 14-hour summer days during my teens eating enough topsoil, it seemed, to start a spread of my own? But I knew he was right.

Between 1945, when I first worked as a full-time harvest hand at age 13, and 1951, I worked every summer for my farmer uncles on both sides of the family. Each year a few more marginal farmers would have to sell out and take jobs in Denver as welders or



auto parts salesmen or whatever. Many of them had managed to scrape through the twin disasters of the Great Depression and the Dust Bowl with a half-section of land and an old Model D John Deere tractor that had only about five moving parts and burned kerosene. They prospered during the World War II years, when the rains came and prices were high.

But what drought and depression could not do, the revolution in farm technology that exploded after World War II did. Farms in the wheat country had to keep expanding to justify the purchase of the bigger and more efficient technology. The predictable result was an exodus of people. It was nothing short of revolutionary.

In the summer of 1945 the sidewalk on the main street of McDonald, Kansas, was so jammed on Saturday night when the movies let out and the grocery stores were closing that impatient kids ran out onto the street to get down to the pool hall, which was packed. Now you could shoot a cannon down that main street any time after 6 on a Saturday night and not endanger a living soul. It has been that way for years.

That is one of the more troubling things about the crisis of the family farm. A way of life that is the only aftermath of the Israeli airlift out of Ethiopia. "20th Century Stuns Ethiopian Jews." I know how they feel.

The Washington Post.

## LETTERS TO THE EDITOR

### German Questions

In his opinion column "Again a Familiar German Reluctance to Live Within the Reality of the Day" (Feb. 11), William Pfaff condemns Bonn's attempt to keep the "German question" formally alive as sentimental nonsense dictated by political opportunism. While it is merely crass to describe the commitment of Helmut Kohl's government to the open question of the German people's future as partisan politics, it is destructive to characterize West German refusal to give up the dream of a new European order as dangerous romanticism.

"Deutschlandpolitik," whether under Willy Brandt or Mr. Kohl, seeks to secure basic human rights and political self-determination for countrymen east of the Elbe and to foster the cultural unity of the nation.

The Federal Republic's patient and peaceful dedication to overcoming the brutal divisions of German lands and the European Continent is the strong motor of a fledgling Europeanism. To keep open the question of a permanent peaceful order for

Europe is to keep alive the prospect of an end to the instability and superpower conflict inherent in the present political boundaries.

BRENTON C. FISCHMANN, Bonn.

Why all the discussion of how, where and if the day of the end of the war should be celebrated on May 8? We did not have special commemorations 10 and 20 years ago. It was his original intention to give up his original intention to be in Bonn that day, and to go to an international grouping in Strasbourg instead.

K.E. SCHUERMANN, Düsseldorf.

Mr. Pfaff says that Germans are not living in the reality of the day, but his own arguments do not seem to be grounded in reality. Terrorism in Europe has come from many nations, present and past; it is extremely unfair to blame one nationality for its resurgence. The reasoning used is similar to arguments of anti-Semitism—incidents are chosen to support a predetermined opinion.

## Your Brain: Too Clever To Fathom?

By George F. Will

WASHINGTON—It is a head-line that arrests the eye (see Page 5): "Einstein Had Extra Cells in His Brain." Not news, you say? Wrong. The news that keeps arriving from neurobiology is large enough to subvert our sense of ourselves.

Having at long last obtained his of Einstein's brain from the Missouri pathologist who conducted the autopsy in 1955, a scientist at the University of California at Berkeley, Marian Diamond, has discovered that Einstein's brain had 73 percent more "support cells" for every neuron than are found in average brains. The Einstein samples reportedly came from the part of the brain responsible for "the deepest thinking."

We are learning a lot—perhaps an alarming lot—about what we are. Increased knowledge of the brain has already brought a reduction of misery through pharmacological treatments of such diseases as depression and schizophrenia. But this knowledge can seem to threaten that inner something that makes us individuals. It seems to portray us as merely physical, as more comprehensible and quantifiable than we want to be.

It was bad enough when Copernicus evicted us from where we think we belong: at the center of the cosmos. Since then, many systems of thought have seemed to imbue us stickily in the world in ways that compromise our sense of autonomy. Darwin embedded mankind in the mud of the planet that Copernicus had made peripheral. Darwin asserted a continuum between mankind and lesser (are we sure?) matter.

The historicists of Marx and others asserted that political and social change are governed by iron laws of social evolution, not the choices of autonomous human beings.

Freud said there are within us uncharted depths with their own turbulences. Now comes neurobiology, suggesting—what? It really does not suggest that anyone with 73 percent more support cells per neuron than average could have said, as Einstein did, "Heidegger: increase the speed of an object and you contract the passage of time." Neuroscientists do not make such extravagant claims.

In the New York Review of Books, Israel Rosenfield of the City University of New York offers a balanced assessment. Suppose particular mental events—feelings, emotions—can be associated with particular chemical events. That does not mean that, say, the feeling of love or patriotism can be expressed as a chemical formula. Neither does it mean that when you read "Hamlet" you should say, "Ah, yes. This is the product of beautiful brain chemistry."

What has been learned about brain functioning has advanced therapy more than it has understanding. We can improve the functioning of the brain without really knowing how to explain what is being done, aside from the correction of a chemical imbalance. While it is better to treat certain mental illnesses by administering drugs rather than confining the patient to an immobilizing chair, "we should have no illusions that we really know what we are doing when we use many of the therapies administered today," Mr. Rosenfield writes.

The chemistry of memory, the chemistry of sorrow—we would feel diminished in dignity by such ways of speaking. But certain foods contain amino acids that pass into the blood and alter moods. Indeed, simply seeing food evidently can trigger physiological mechanisms that produce weight increase. Graciously.

Human beings became comfortable with the thought of themselves as creatures composed of flesh and blood and also something grander. Now neurobiology makes problematic the idea that we are both bodies and quite distinct minds or spirits. The idea of "the ghost in the machine" may be yielding to the idea that we are machines. Are we just the sum of the chemical reactions bubbling within us?

Happily, the more we know, the less we know. The more we know about the brain, the more we are awed by how much there is to know not only about the brain itself but about the totality of creation that has culminated—we are the culmination . . . aren't we?—in a gadget as intricate as man.

The neuroscience behind the news that Einstein's brain was different calls to mind a recent Chicago Tribune headline over a story about the aftermath of the Israeli airlift out of Ethiopia: "20th Century Stuns Ethiopian Jews." I know how they feel.

Washington Post Writers Group.

## Liberty in Lien of Soup

Rudolf Völl (Letters, Jan. 14), discussing responses from the homeless in Tokyo when he asked them why they did not avail themselves of soup kitchens, suggests that the responses were "a paraphrase of Nathan Hale's last words—'because we like our freedom.'" Nathan Hale is known for declaring, before being hanged by the British in 1776, "I only regret that I have but one life to lose for my country." It was Patrick Henry who said, in 1775: "I know not what course others may take, but as for me, give me liberty or give me death!"

MARK KRAMER, Oxford, England.

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WALL STREET WATCH

Merrill Lynch Analyst Sees Major Advance in Making

By EDWARD ROHRBACH  
International Herald Tribune

AS investors' tastes on Wall Street have shifted from heavy on the hot sauce in January to refined beans as February losses, Merrill Lynch's chief investment strategist is fired up enough about the long-term potential of the market's current advance to dub it "The Big Enchilada."

Stanley D. Salvigen sees stocks poised to resume an enduring upward thrust that will carry them well above 2,000 on the Dow average. It will rank, he predicts, with the two great bull markets of the century, in 1920-1929 and 1949-1965.

Powering "Big Enchilada III," he said, will be an expansion of price-earnings ratios for stocks — the same basic ingredient of the past two major advances. That is, financial assets will be perceived by investors as offering nutritional value while so-called tangible assets that are attractive during inflationary times no longer will enjoy the same investment appeal.

"Real estate, if you will, has experienced a big P/E expansion over the last 20 years," he explained. "Now with inflation less of an investment alternative, the growing demand for financial assets will drive their prices up."

Mr. Salvigen believes the "new constructive era" for stocks actually returned four years ago with the advent of real high interest rates, meaning when rates remain elevated while inflation abates. That set the stage for the August 1982 bull market charge, which is when he says "Enchilada III" was first served up to investors.

"Real high interest rates portend a high-risk environment which constitutes a wall of worry for the majority of investors," he writes in Merrill Lynch's current Investment Strategy Quarterly. "However, history shows that when the risks have been high so have the rewards for those financial instruments that were able to cope with the high-risk environment."

HE continued: "The process is similar to conditions in the 1920s and 1950s. Real rates stayed high through the period. Earnings growth was below average, but P/E ratios went from 8 to 20 over an 8-10 year period. Stock-price indexes rose more than 400 percent during these periods."

Asked what stalled Wall Street in the 18 months until the start of 1985, Mr. Salvigen replied that the "risk-free rate of return was too competitive for stocks." With Treasury bills offering 11- to 12-percent interest, "enthusiasm for the stock market was based down in '83-'84 and not rekindled until lately," he added. When the rate dropped to 8 percent in December, conditions began to inspire his "Big Enchilada" theme.

He said, incidentally, that a catchy title for his reports helps implant the idea in investors' minds. "Revenge of the Nerds," written last year, described how conservative folks who have been saving money the past 20 years have finally looked smart in a climate of high interest rates.

Mr. Salvigen argues that Wall Street's surge in January provided an "object lesson" on how misleading standard market signals can be in a rising P/E environment. Both reported and forecasted earnings were trending below expectations, he pointed out, yet during the month the market gained nearly one full P/E point.

"This has made it difficult for many observers to rationalize the strength in stocks," he said. "The result has been a tendency to sell early. This is particularly true where certain stocks have broken above their traditional valuation ranges and now appear unusually expensive when compared with the standards of the past decade."

But, he added, this is just the point. "Important changes in the level of valuation are not a function of any changes in the characteristics of the stocks themselves but are the result of (Continued on Page 9, Col. 1)

Firms Win A Ruling On Waste

Supreme Court Backs Exemption

Compiled by Our Staff From Dispatches

WASHINGTON — The Supreme Court ruled 5-4 Wednesday that the Environmental Protection Agency may exempt individual industrial plants from national clean-water standards which limit the discharge of pollutants.

The ruling was a victory for the Reagan administration and for the chemical industry which had challenged a lower court's determination that the government agency could not grant variances from national rules for treating toxic chemicals before they are dumped into public waterways.

Although few such variances have been given so far, industry complained it would be saddled with very high costs if required to meet national clean water standards. But environmental groups warned that the companies were simply trying to delay compliance with standards ordered by the Clean Water Act.

The statute directs the EPA to set national standards for industrial discharge of treated toxic waste — pollutants that have been at least partially cleaned before flowing into lakes and streams.

Under an EPA exemption, industrial facilities can get a certain type of variance by showing, for example, that complying with national standards would result in a pollutant removal cost "wholly out of proportion to the costs considered by EPA in setting the national standard."

The Natural Resource Defense Council challenged the EPA's exemption policy and won a ruling by the 3rd U.S. Circuit Court of Appeals in Philadelphia that the EPA lacks the authority to grant such variances under the Clean Water Act and its 1977 amendments.

The Supreme Court reversed that ruling Wednesday. The impact of the ruling is not immediately clear. (UPI, AP)

West Germany's Degussa Finding Strengths, Problems in Its Diversity

By Warren Getler  
International Herald Tribune

FRANKFURT — Degussa AG, the big precious metals, chemicals and pharmaceuticals group, is realizing more than ever that diversity can be a source of both strength and vulnerability. The Frankfurt-based company currently faces a host of "uncontrollable" factors across its full product line that could challenge the company's otherwise solid prospects for a hefty jump in profits this year, analysts say.

These factors include an unpredictable dollar, a foreign government's threat to close by Thursday a gold mine partly owned by Degussa and continuing confusion over Bonn's proposal for the mandatory use of catalytic converters on automobiles, a decision in which Degussa has a major stake.

The surging U.S. dollar, for instance, is helping to boost Degussa's chemical exports while simultaneously depressing precious metals prices. Degussa's gold prices hurt earnings in the company's gold mining activities but, on the other hand, reduce costs in its processing operations.

Still another variant in Degussa's earnings mix, however, is that fluctuating gold prices are the key requirement for profitability in precious metals trading activities, which traditionally account for two-thirds of total sales in the metals division. Carl Becker, the company's 51-year-old chairman, said in a recent interview.

With precious metals accounting for 65 percent of Degussa's total revenue of 11 billion Deutsche marks (\$3.2 billion) last year, the high-flying dollar is thus seen as a mixed blessing. The dollar's future course remains the key question mark hovering over the company's income statement for the current fiscal year ending Sept. 30.

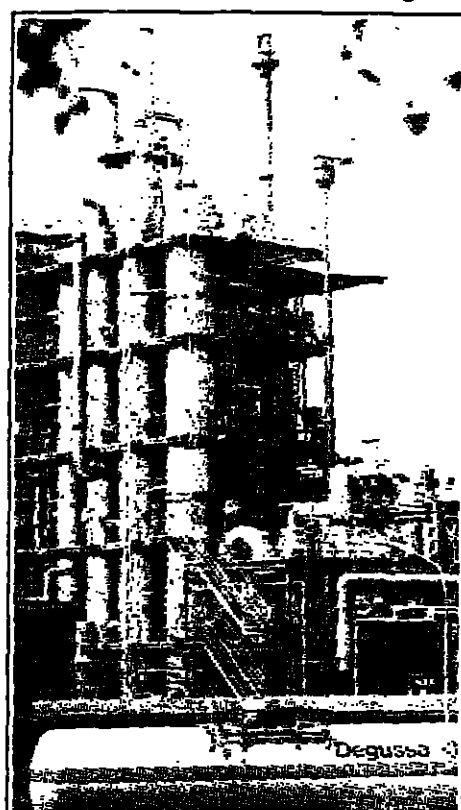
Last year, sales in the metals division fell 7.8 percent from a year earlier, a slippage partly compensated for by a 16.1-percent rise in chemical division revenue, to 3.53 billion DM. Pharmaceuticals, which comprise only 3 percent of total revenue, were up 4.2 percent last year.

The drop in revenue notwithstanding, Degussa said its group profit for the year ended last Sept. 30, which have not yet been released, will be above the year-earlier 89.97 million DM.

"Even if gold sales prove out a little slower, growth in profits will continue at a satisfactory level this year as increasing capacity utilization has led to a decline in our costs," Mr. Becker, who has led the company as chairman since 1977, said.

Investors, however, are often confused whether to view Degussa as a metal or chemical stock. According to Margot Schoenen, analyst at Westdeutsche Landesbank in Düsseldorf, the strong upward potential of Degussa as a chemical stock is being held in check by investor uncertainty about the company's metal operations.

Indeed, Degussa's share price has not benefited in the surge seen in recent weeks among chemical stocks such as Bayer, Hoechst and BASF. Degussa's share price has hovered in the 350-360 DM



An acrolein plant in Degussa's Wessling, West Germany, complex. Acrolein is used to make an amino acid that raises the nutritional value of poultry feed.

range this month, and closed Wednesday on the Frankfurt Stock Exchange at 359.5 DM, up 50 pfennig.

But Mr. Becker is firm in his belief that Degussa should not move away from its traditional base in precious metals to focus more on chemicals and pharmaceuticals.

"On the contrary, we put great store in being a diversified precious metal, chemical and pharmaceutical group and are investing heavily to defend the company's tradition as a leading precious metals concern," he said. This focus will be complemented by activities in specialized chemical and pharmaceutical products, he said.

Outside Degussa's 16 production units in West Germany, the group has production facilities in the European Community, the United States, Canada, Japan, South Africa, Argentina, Mexico and Brazil.

Dollar uncertainties aside, pending decisions by (Continued on Page 9, Col. 1)

Hong Kong Opts For Indirect Tax To Cut Its Deficit

By Dinah Lee  
International Herald Tribune

HONG KONG — Hong Kong residents will face increased indirect taxation as of April 1, the British colony's financial secretary, Sir John Bremridge, said Wednesday in his annual budget report.

He predicted that last year's revised estimated growth in gross domestic product of 9.6 percent in real terms would drop to a more conservative 7 percent for 1985.

Gross domestic product, or GDP, measures a nation's output of goods and services, excluding income from foreign investment.

The possibility of some sort of tax increase had been rumored in Hong Kong since the beginning of the year, amid warnings from the financial community that Hong Kong's record growth was due in part to low taxation levels.

Sir John's decision not to raise direct taxes was "agreeable to Hong Kong's business circles," the director of the Hong Kong Chamber of Commerce, Jimmy MacGregor, said Wednesday.

"Most people prefer having a choice through indirect taxation," he said. "This budget also reflects the improved level of confidence in Hong Kong's economy felt in the business sector."

Last year the government raised direct taxation by 2 percentage points, to 17 percent on salaries and 18.5 percent on profits.

"Consequently it is imprudent to consider another increase now," Sir John said. He proposed increases in betting, business registration, transport, postal and telecommunications fees. He also proposed rises in duties on beer, cigarettes, tobacco, cosmetics, soft drinks, mineral waters, and non-European wines and spirits.

The news was softened somewhat by concessions on direct taxation aimed at Hong Kong's burgeoning middle class. These included increases in the tax allowances for dependents.

The net increase in revenues from the new tax measures will be 1.2 billion Hong Kong dollars (about \$153.8 million), equaling a planned deficit for 1985-86 after the contribution of 1 billion dollars from the government's free fiscal reserves of 15.3 billion dollars.

Hong Kong last had a budget surplus in 1981-1982. The world recession and reduced revenues from sales of Crown colony land resulted in an annual deficit of 3.5 billion dollars in 1983-84 and of 3 billion dollars in 1984-85. Last year's budget deficit of 1.8 billion dollars was met partly by a 1-billion-dollar bond issue that Sir John said he does not plan to repeat in 1986-87.

Sir John matched his moves with proposals for surpluses against tax avoidance. Sir John emphasized that Hong Kong's dependence on trade representing 179 percent of GDP (a total of 286 billion dollars in 1984) is a forecast for 1985, a constant approach to government fiscal shocks.

An estimated 44 percent of Hong Kong's domestic exports goes to the United States, its largest market. Sir John predicted that with lower expectations of U.S. growth for 1985, Hong Kong's exports to the United States this year would grow by half of last year's rate of 21 percent in real terms.

He also warned that demand from the countries of the Organization for Economic Cooperation and Development would fall, and he said that despite China's rise to rank as Hong Kong's second-largest customer, the growth in its purchases would slow from last year's rate of 60 percent to 40 percent.

He said the rate of overall growth in domestic exports would drop from 17 percent in 1984 to 10 percent in 1985. And he said exporters would continue to face a strengthening

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Japanese Output Continues Decline

Reuters

TOKYO — Japan's preliminary industrial production index for January fell 0.3 percent, to 119.8, from a revised 120.2 in December, the Ministry of International Trade and Industry said Wednesday. The December figure was off 0.7 percent from November.

Meanwhile, Japan's current account, a broad measure of trade in goods and services as well as interest, dividends and certain transfers, shrank to an \$800-million (3.07 million yen) surplus in January from a record \$4.76-billion surplus in December, the Finance Ministry said. The current-account deficit was \$562 billion in January 1984.

The unadjusted January production index was up 8.4 percent from a year earlier after an 8.9-percent year-on-year gain in December, the trade ministry said. The preliminary producers' shipment index was up 0.5 percent in January from a revised 114.8 in December, when it fell 1.5 percent from the month before.

On an unadjusted basis, the producers' shipment index in January was up 6.4 percent from a year earlier after a 7.2-percent year-on-year December rise.

The January index of producers' inventories of finished goods fell 0.9 percent to 102.0 from a revised 102.9 in December, when it was up 1.3 percent from November.

On an unadjusted basis, the inventory index was up 8.3 percent in January from a year earlier after a 9.3-percent year-on-year gain in December.

In its report, the Finance Ministry said the January trade surplus fell sharply to \$1.46 billion from a record \$5.25 billion in December but was up sharply from a \$239-million surplus in January 1984.

Japan's overall balance-of-payments deficit grew to \$2.37 billion in January from \$1.24 billion in December, but was little changed from \$2.38 billion a year earlier.

The long-term capital account deficit fell to \$3.32 billion in January from a record \$8.40 billion in December, but exceeded a year-ago deficit of \$1.74 billion.

January exports totaled \$10.97 billion, down from \$15.74 billion in December but up slightly from \$10.13 billion a year earlier. Imports fell to \$9.51 billion in January from \$10.49 billion in December and \$9.89 billion a year earlier.

The deficit for trade in nonmerchandise items stood at \$563 million in January, up from \$381 million in December but down from \$710 million a year earlier.

The transfer payments deficit fell to \$92 million in January from \$107 million in December and was little changed from \$91 million a year earlier.

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Mazda's Per-Hour Advantage At U.S. Plant Is Put at \$7.50

By Warren Brown  
Washington Post Service

WASHINGTON — Mazda Motor Corp. will have a \$7.50-an-hour labor-cost advantage over American automakers when it starts building cars in the United States in 1987, a Detroit-based auto trade journal said Tuesday.

Automotive News said the advantage will come from savings in wages and benefits and through production efficiencies. The journal based its assessment on a letter of intent signed last year by Mazda and the United Auto Workers union.

Portions of the agreement have been common knowledge for some time. But the Automotive News account marked the first time since Mazda's announcement of its U.S. production plans last December that a dollar value has been assigned to the production-cost segment of the pact.

Mazda, which plans to roll out 240,000 small cars annually at a plant in Flat Rock, Michigan, would become the fourth Japanese automaker to build cars in the United States. Honda Motor Co., Nissan Motor Co. and Toyota Motor Corp. (through a joint venture

with General Motors Corp.) now produce cars in the United States.

Mazda officials said that it is "still too early" to discuss their U.S. compensation plans publicly, and UAW officials declined comment. Industry sources familiar with the letter of intent confirmed the accuracy of the Automotive News story.

According to industry sources, the smallest part of Mazda's U.S. cost advantage would be a break of about 70 to 80 cents an hour in wages. Under a three-year agreement beginning in July 1988, Mazda production workers would earn 85 percent of the going rate at Ford Motor Co. in the first year of the contract. Ford's expected base rate at that time would be \$16.82 an hour.

Mazda workers would earn 90 percent of the Ford rate in the second year of the contract, and would reach 100 percent of Ford base pay — including cost of living allowances — at the end of the third year.

Foreign bankers said that the move came as a surprise, but that other major business conglomerates were unlikely to suffer the same treatment.

One overseas banker said Kulkje was one of several South Korean companies facing difficulties because of cutbacks in Middle East construction projects.

He said the government appeared to have made an example of Kulkje — the conglomerate with the weakest financial position — to persuade other large groups to take necessary measures.

An American banker called the (Continued on Page 13, Col. 5)

EC Approves Increases in Steel Prices

Reuters

BRUSSELS — The European Commission said Thursday it had authorized price increases of between 7 and 9 percent for steel.

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France Reports Trade Deficit Narrows Sharply

Reuters

PARIS — France's adjusted current account deficit narrowed sharply last year to a provisional 265 million francs (about \$25 million), from 338 billion francs in 1983, a government spokeswoman said Wednesday.

The 1984 deficit figure was revised from a preliminary estimate of 600 million francs.

The improvement in the current account, a broad measure of trade in goods and services as well as interest, dividends and certain transfers, followed an adjusted fourth-quarter surplus of 1.1 billion francs and an upwardly revised surplus of 8.38 billion in the third quarter, the Finance Ministry said.

The government spokeswoman said after a cabinet meeting that the surplus on industrial trade rose 63 percent to 97 billion francs for the year, although the deficit on energy trade widened in franc terms because of the strong dollar.

The surplus on trade in nonmerchandise items narrowed to 2.8 billion francs from 4.3 billion in 1983, mainly because of increased interest payments on France's external debt. The third-quarter surplus originally was set at 6.62 billion francs.

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**CORUM**

The famous Corum Coin Watch. A precious ultra-thin quartz movement inserted between the two halves of a genuine \$20 gold coin. Water-resistant. In ladies' versions too. A subtle touch: each Corum Coin Watch has a pure diamond set in the crown.

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## BUSINESS ROUNDUP

## Australia Licenses 16 Foreign Banks

**Reuters**  
CANBERRA, Australia — The Australian government, in a step to open the country's financial system, said Wednesday it had granted provisional licenses to 16 banks from eight countries.

The banks included such major institutions as Bank of America, Citibank and the Bank of Tokyo, and were chosen from among 42 applicants.

The 16 banks' initial aggregate capital will exceed 15 billion Australian dollars (\$1.1 billion), Treasurer Paul Keating said.

The entry of the foreign banks is one of a series of steps toward the deregulation of Australia's financial markets taken since the ruling Labor Party floated the local currency in December 1983.

Mr. Keating stressed that the license awards were provisional — the banks must meet with the Reserve Bank and Treasury to develop proposals so recommendations can be made to the governor-general on granting of final authority.

He said some banks could complete the process and begin operations within three months.

Mr. Keating also announced that Japan had agreed to allow four major Australian banks — Westpac, National Australia Bank, ANZ Bank and the Commonwealth Bank — to establish full banking operations in Japan, subject to normal requirements.

This, he said, was because Australia had selected three Japanese banks for licenses and because of earlier arrangements for Japanese banking companies to establish merchant banks in Australia.

Nine of the 16 licenses will be issued to wholly foreign-owned banks and the rest to joint ventures between foreign banks and local companies, Mr. Keating said.

The wholly-owned banks are Citibank, J.P. Morgan & Co., Bankers Trust Co., Barclays Bank PLC, National Westminster Bank PLC, the Bank of Tokyo Ltd., Deutsche Bank AG, Overseas Chinese Banking Corp., and the Na-

tional Bank of New Zealand Ltd., owned by Lloyds Bank PLC.

The joint venture banks are Chase Manhattan Bank in association with the Australian Mutual Provident Society; Bank of America with G.J. Coles & Co.; and the Royal Bank of Canada with National Mutual Life Assurance Co.

Also, Standard Chartered Bank PLC with State Government Insurance Corp. of South Australia and Advertiser Newspapers Ltd., the Mitsubishi Bank Ltd. with City Mutual Life Assurance Co. of Australia and Howard Smith Ltd., the Industrial Bank of Japan Ltd. with Western Australian Development Corp., Town and Country Building Society of Western Australia and State Government Insurance Office of Western Australia; and the Hong Kong and Shanghai Banking Corp. with Victorian Government Economic Development Corp.

Each of the 16 banks will require an exemption under the general policy limiting individual shareholdings in banks to 15 percent.

## Philip Morris To Restructure

**Reuters**  
NEW YORK — The board of Philip Morris Inc. has authorized the reorganization of Philip Morris into a holding company structure, it was announced Wednesday.

If the plan is approved by shareholders, a corporation called Philip Morris Cos. Inc. will be formed and Philip Morris Inc. will become a subsidiary, a spokesman said. Shares outstanding of Philip Morris Inc. will be converted into identical holdings of Philip Morris Cos. Inc. following the reorganization, set for about July 1.

Philip Morris said it plans to distribute to Philip Morris Cos. Inc. the stock of many of its subsidiaries of Philip Morris Cos. Inc. It said this would be done in a manner consistent with its debt restrictions.

## Bank of America Consolidates Retail Services

**By Andrew Pollack**  
*New York Times Service*

SAN FRANCISCO — Bank of America is undertaking a major reorganization of its retail banking operations to prepare for deregulation, worldwide competition in financial services and to regain lost market share in its home market in California, the company says.

Under the reorganization, announced Tuesday, retail banking operations will be combined with such other consumer-related operations as trust business, insurance, real estate and Charles Schwab & Co. discount brokerage into a new organization called Global Consumer Markets.

The consolidation is aimed at allowing the bank to coordinate its offerings of various financial services better and to continue overhead cuts by avoiding duplication of activities.

Global Consumer Markets will be divided into strategic business units organized around particular product areas and market segments.

The retail organization previously was organized around functions, such as marketing. By organizing around market segments, the bank hopes to respond faster to changes in the marketplace.

"We want to get closer to the customers, closer to the marketplace," said James B. Wiesler, vice chairman, who will head the new retail organization.

Bank officials said that the reorganization was the culmination of changes that had been taking place since 1982 and was not related to a scandal involving mortgage-backed securities that had caused the bank to create a \$95 million reserve.

At a news conference called to announce the reorganization, officials declined to answer questions about the mortgage scandal but indicated that the results of an internal investigation would be made available in a few days.

Analysts discounted the value of

the measures, however, saying it was difficult to understand immediately how they would help the bank, which has experienced four years of declining earnings.

"Bank of America after 10 o'clock this morning is no different from what it was yesterday," said Daniel Williams, vice president of research at the Suto Group in San Francisco. He said the bank's major problems stemmed from faulty loans, not the retail operations.

Retail operations, however, have been losing market share to more aggressive competitors within the state and to out-of-state banks, such as Citicorp, which have moved into California.

Bank of America was slow to install automated teller machines, and its large network of branches saddled it with high expenses.

Last year, the company closed 132 branches and shrunk 53 more.

Executives said Tuesday that such efforts would continue in 1985, with 10 percent of the re-

maining 950 branches being "altered."

Employment in the California division, which has been reduced to 32,000 from 40,000 over the last three years, will be cut 10 percent more in 1985, they said.

The new Global Consumer Markets organization represents about \$48 billion of the \$120 billion in assets of the BankAmerica Corp., the bank-holding company. Profits from retail banking represent far more than half the bank's total profits.

The other major division of the bank is the World Banking division, which deals with major corporations and governments.

The major division in Global Consumer Markets will be consumer financial services, encompassing California, interstate and global consumer banking. It will have special divisions geared to coming up with products for individuals, wealthy clients and small business.

Separately, Charles Schwab announced a new service allowing investors to get stock quotations and news over the telephone and software allowing them to monitor investments and order transactions using personal computers.

Meanwhile, Mr. Icahn told the hearing in later testimony that he believes he won a victory in the

battling over a plan to recapitalize Phillips. "I think I won it," he said.

Voting on the recapitalization plan ended Wednesday, but Phillips said it will not be able to complete counting the vote until later this week. Its defeat by shareholders would be an important step in Mr. Icahn's bid to acquire Phillips for cash and securities with an average value of \$55 per share.

Mr. Icahn urged the legislators not to enact new laws regulating hostile takeovers. "We're dealing with a free-market system. I don't think we should tamper with it," he said.

Nampana and Starshine will then own a total of 33.3 percent of N&S's enlarged share capital.

The instructions des participants devront parvenir à la Banque Paribas (Luxembourg) S.A. au plus tard le 13 Mars 1985. Les soldes restant de l'arrosage seront réglés au plus tard le 21 Mars 1985 sur base de valeur nette d'inventaire calculée 14 Mars 1985.

Les parts gratuites non-étiquetées le 14 Mars 1985 seront versées à la valeur nette d'inventaire, même jour. Le produit de la vente des parts, à proportion de leur valeur nette d'inventaire calculée 14 Mars 1985, sera versé aux participants le 4 Février 1986.

Le produit de la vente s'élève à 5.300.000.000 francs. Le produit de la vente des parts, à proportion de leur valeur nette d'inventaire calculée 14 Mars 1985, sera versé aux participants le 4 Février 1986.

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## Pan Am, Pilots Agree to Tentative Contract

**The Associated Press**  
NEW YORK — Pan American World Airways has reached a tentative contract agreement with its pilots, but still faces a possible mechanics strike on Thursday that a union leader said could halt all flights.

Edward C. Acker, the Pan Am chairman, said details of the 32-month pact with the pilots, reached Tuesday, would be withheld pending a ratification vote next month.

But he said the pilots had "recognized the economics of a deregulated industry," and "taken steps to strengthen Pan Am's competitive position."

John Kerrigan, leader of the Transport Workers Union airline division, said he did not know if the pilots' settlement would convince them to work if the TWU goes ahead with a threatened strike Thursday by 5,800 mechanics, baggage handlers, flight dispatchers and food workers.

But he said he had "a firm commitment" to honor picket lines from leaders of unions representing about 6,000 flight attendants and 5,200 reservations and ticketing agents.

"I have reason to believe that

Pan Am has asked all of its 19,000 unionized employees for productivity gains and large reductions in pension and health-care benefits.

The airline had a pretax operating loss of \$106.7 million before taxes last year, and its parent company, Pan Am Corp., had a net loss of \$206.8 million. The airline has not made a profit since 1980, and has cut more than 8,000 jobs in the past five years.

John Kerrigan, leader of the Transport Workers Union airline division, said he did not know if the pilots' settlement would convince them to work if the TWU goes ahead with a threatened strike Thursday by 5,800 mechanics, baggage handlers, flight dispatchers and food workers.

But he said he had "a firm commitment" to honor picket lines from leaders of unions representing about 6,000 flight attendants and 5,200 reservations and ticketing agents.

"I have reason to believe that

Pan Am will not operate if the Transport Workers Union strikes," Mr. Kerrigan said.

Pan Am spokesman Jeff Kneuder said the airline could temporarily replace some of the ground workers among its 19,000 unionized employees during a strike, but not the flight crews.

The airline's 800 flight engineers, although represented by another union, usually follow the lead of the Air Line Pilots Association.

The pilots had asked for an immediate restoration of a 26-percent wage increase they postponed in 1982.

Pan Am wanted to restore that increase over several years, the pilots said, while reducing "synthetic time" — the number of hours the pilots are paid during layovers away from home.

The TWU has asked for a "snapback" to the 14-percent wage increase they postponed in 1982, but the company only has offered a 4 percent increase in each of the next three years, Mr. Kerrigan said.

## Phillips Warns of Liquidation if Icahn Succeeds

**Reuters**  
WASHINGTON — A victory by the New York financier, Carl C. Icahn, in his \$8.1-billion bid to acquire Phillips Petroleum Co. would inevitably lead to liquidation of the company to pay off the debt required to finance the takeover, a Phillips executive vice president, Charles Kittrell, said Thursday.

In testimony submitted to a subcommittee of the House Energy and Commerce Committee, Mr. Kittrell warned that the Icahn offer would leave the company with a 14-to-1 debt-to-equity ratio.

"Placing a 'Going Out of Business' sign on profitable concerns for short-term gain is not appropriate public policy," he said.

Mr. Kittrell warned that the Icahn bid threatens not only a liquidation of Phillips, but a loss of jobs, exploration, technological research, philanthropic activities and a disruption for independent petroleum product marketers.

"A review of the impacts that hostile corporate takeovers have on







## Feb. 27

**NASDAQ National Market Prices**

# Floating Rate Notes

Feb. 27

## Dollar

Yankee/Mkt.	Company Head	Bid	Askd
Adiant 1991	106 12 1/2	92.07	92.25
Adiant 1992	106 12 1/2	92.07	92.25
Adiant 1993	106 12 1/2	92.07	92.25
Adiant 1994	106 12 1/2	92.07	92.25
Adiant 1995	106 12 1/2	92.07	92.25
Adiant 1996	106 12 1/2	92.07	92.25
Adiant 1997	106 12 1/2	92.07	92.25
Adiant 1998	106 12 1/2	92.07	92.25
Adiant 1999	106 12 1/2	92.07	92.25
Adiant 2000	106 12 1/2	92.07	92.25
Adiant 2001	106 12 1/2	92.07	92.25
Adiant 2002	106 12 1/2	92.07	92.25
Adiant 2003	106 12 1/2	92.07	92.25
Adiant 2004	106 12 1/2	92.07	92.25
Adiant 2005	106 12 1/2	92.07	92.25
Adiant 2006	106 12 1/2	92.07	92.25
Adiant 2007	106 12 1/2	92.07	92.25
Adiant 2008	106 12 1/2	92.07	92.25
Adiant 2009	106 12 1/2	92.07	92.25
Adiant 2010	106 12 1/2	92.07	92.25
Adiant 2011	106 12 1/2	92.07	92.25
Adiant 2012	106 12 1/2	92.07	92.25
Adiant 2013	106 12 1/2	92.07	92.25
Adiant 2014	106 12 1/2	92.07	92.25
Adiant 2015	106 12 1/2	92.07	92.25
Adiant 2016	106 12 1/2	92.07	92.25
Adiant 2017	106 12 1/2	92.07	92.25
Adiant 2018	106 12 1/2	92.07	92.25
Adiant 2019	106 12 1/2	92.07	92.25
Adiant 2020	106 12 1/2	92.07	92.25
Adiant 2021	106 12 1/2	92.07	92.25
Adiant 2022	106 12 1/2	92.07	92.25
Adiant 2023	106 12 1/2	92.07	92.25
Adiant 2024	106 12 1/2	92.07	92.25
Adiant 2025	106 12 1/2	92.07	92.25
Adiant 2026	106 12 1/2	92.07	92.25
Adiant 2027	106 12 1/2	92.07	92.25
Adiant 2028	106 12 1/2	92.07	92.25
Adiant 2029	106 12 1/2	92.07	92.25
Adiant 2030	106 12 1/2	92.07	92.25
Adiant 2031	106 12 1/2	92.07	92.25
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# Wednesday's AMEX Closing

Vol. of 3 P.M. 5,570,000  
Prev. P.M. vol. N.A.  
Prev. consolidated close 9/30/84

Tables include the nationwide prices  
as to the closing on Wall Street

12 Month	High	Low	Stock	Div.	Yld.	PE	12 Month	High	Low	Stock	Div.	Yld.	PE	12 Month	High	Low	Stock	Div.	Yld.	PE	12 Month	High	Low	Stock	Div.	Yld.	PE
74	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54
34	14	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54
14	4	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54
4	4	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54
14	4	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54
4	4	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54
14	4	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54
4	4	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54
14	4	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54
4	4	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54
14	4	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54
4	4	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54	114	34	ADIR	19	8	54	54

## INTERNATIONAL POSITIONS



# ABU DHABI NATIONAL OIL COMPANY

ADNOC is one of the major oil companies in the Middle East controlling  
the Exploration, Production and Processing of Oil, Gas and Associated Products in Abu Dhabi.

The Abu Dhabi National Oil Company wishes to recruit a number of  
professional personnel in its Exploration & Production Directorate as follows:

### PRODUCTION ENGINEERING SUPERVISOR

Responsible for conducting and evaluating studies of surface production facilities of oil and gas both onshore and offshore from the engineering and operational point of view. Also responsible for optimizing and evaluating well completions, well testing and logging programmes and all other aspects of Petroleum Engineering. He should be able to use computer programmes related to the work mentioned above.

The candidate should have a B.Sc. in Petroleum Engineering or equivalent with a minimum of 10 years experience in Production & Petroleum Engineering.

### RESERVOIR SIMULATION ENGINEER

Responsible for collection and evaluation of reservoir engineering data for reservoir simulation studies. He should also be able to run reservoir simulators and evaluate the results.

The candidate should have a B.Sc. in Petroleum Engineering or equivalent, with 5 years experience in a major Oil Company, including a minimum of 2 years in reservoir engineering.

Strong computer background is preferable.

### RESERVOIR ENGINEER (PETROPHYSICAL ANALYSIS)

Participate in establishing ADNOC's data base and ensure that the log interpretation parameters are updated.

The candidate should have a B.Sc. in Petroleum Engineering or equivalent, with 5 years experience in a major Oil Producing Company, including a minimum of 2 years in log analysis.

Strong computer background is preferable.

### MANAGEMENT REPORTS COORDINATOR

Responsible to prepare, for management, technical reports on major issues pertaining to the work of the Exploration and Production Directorate as well as that of the subsidiary operating companies. He should be able to supervise the preparation of monthly management report and other related activities. He should also be able to take a lead in developing and implementing standardization of reporting formats for the companies in the ADNOC Group and a computerized information system, and document storage and retrieval on microfilm.

The candidate should have a B.Sc. in either Petroleum/Mechanical/Chemical Engineering or equivalent, with a minimum of 8 years relevant experience in the oil/gas exploration and production industry. Knowledge of modern methods of information handling will be a distinct advantage. He should have excellent analytical and communication skills.

### ASSISTANT MANAGEMENT REPORTS COORDINATOR

Responsible for collection and review of information and data pertaining to the Exploration & Production activities and that of the subsidiary operating companies. He should be able to prepare a monthly management report from the data collected and assist in preparation of technical data for Management Information System.

The candidate should have a B.Sc. in either Petroleum/Mechanical/Chemical Engineering or equivalent, with a minimum of 5 years relevant experience in petroleum exploration and production industry. Knowledge of modern methods of information handling will be a distinct advantage. He should have excellent analytical and communication skills.

### SENIOR PLANNING ENGINEER (SPECIAL STUDIES)

Involvement in special studies regarding the fields' developments which include broad design criteria for facilities planning, preliminary cost estimates for towers, flowlines, offshore structures, production and injection facilities, etc.

The candidate should have a B.Sc. in Petroleum or Mechanical Engineering with a minimum of 6 years oil field experience in facilities design and cost (offshore and onshore), and reservoir performance.

All these appointments require good knowledge of Arabic and English.

These appointments are based in Abu Dhabi City. However, the Production Engineering Supervisor will be required to make occasional field trips.

Preference will be given to UAE nationals and then to Arab candidates.

ADNOC benefits include a competitive tax-free remuneration, good career prospects, free medical care, free family accommodation, furniture allowance, paid home leave for the family and educational assistance for eligible children.

Interested candidates are invited to forward their detailed applications, together with photocopies of their education and experience certificates, within three weeks from the date hereof to:

EMPLOYMENT DIVISION MANAGER  
PERSONNEL DIRECTORATE  
ADNOC  
P.O. BOX 898  
ABU DHABI - U.A.E.

## INTERNATIONAL INVESTMENT ANALYST

An international investment bank is looking to recruit an individual to join a small but expanding London-based team working exclusively on advice to a key client, which is aiming to become an internationally diversified investment holding company. The advisory team is responsible for seeking and identifying opportunities, assessing and recommending investments, and providing monitoring services on behalf of the client.

The opportunity which has now developed is for an individual with drive and ambition to assist the team and, primarily, to provide analysis and research skills. The successful candidate will probably be a young qualified accountant or MBA. He/she will have at least 3 to 4 years experience in the research department of a stock broking firm or merchant bank or in consultancy, and will have first-hand knowledge of business deals and investment decision taking, preferably in Europe or U.S.A. as well as U.K. Language skills will be an advantage, as some overseas travel is likely.

An attractive remuneration package, including non-contributory pension and medical insurance, is available.

Apply in confidence to: Box 034799, International Herald Tribune, 63 Long Acre, London WC2E 9JH.

## Sales and Marketing Manager

Up to US\$36,000 p.a., plus car,  
plus allowances

NL Treating Chemicals, a division of NL Industries Inc. manufactures, supplies and engineers a variety of specialty chemicals used in the oil and gas production, pipeline, drilling and refinery segments of the Petroleum Industry.

In order to strengthen and extend our position in these served markets, we are seeking a Sales and Marketing Manager to undertake direct sales to European based international oil companies, co-ordinate sales effort of existing sales and service staff in primary served markets and extend sales coverage to new markets and countries, by promoting new products and processes developed and marketed by NL Treating Chemicals.

Candidates must be strongly motivated and able to produce results under minimum supervision and qualified to degree level in sciences with extensive sales experience in the international oil related business. Multilingual expertise in English and French is essential. German, Spanish and/or Italian would be a plus.

This position will be located in existing NL offices in Europe to be decided in conjunction with the successful candidate and will report to the Manager, International Operations in Houston, Texas, U.S.A.

Please apply in English, with full personal and career details to:

G. C. Meaden, Supervisor Employee Relations, NL Petroleum Services, Eastern Hemisphere Operations, 35/36 Grosvenor Street, London W1X 9FG.

## PETROLEUM ENGINEER

Required for approximate 6-month contract, beginning March, in an African country.

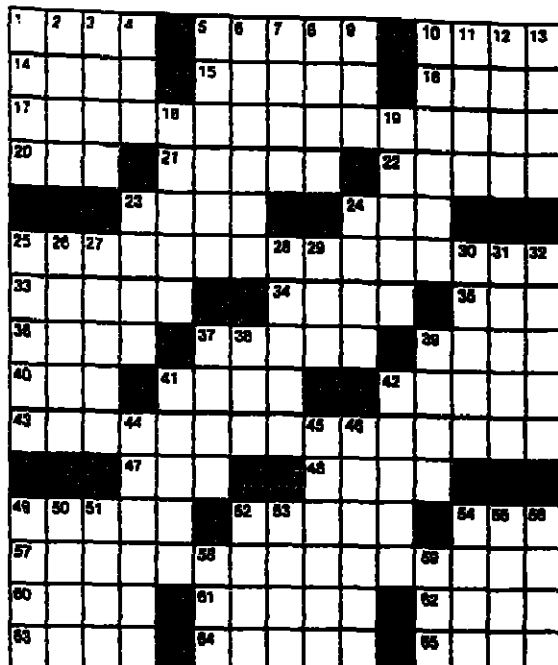
At least 15 years international experience in drilling, log analysis, reservoirs, completions, and familiarity with African basins. French and English required.

Send in first case curriculum vitae, references, salary requirement and telephone number to:  
Box L 18-118470, PUBLICITAS, CH-1211 Geneva 3









**ACROSS**

1 Picot feature  
5 Chair-back piece  
10 "I'll lift my..."  
14 Lazarus  
15 Tropical dog  
16 Liquor  
17 Winged  
18 Is right on the mark  
20 Down Under  
21 Button in a laundry  
22 Test  
23 Agora  
24 March 15 in Milano  
25 Biblical passage for a camel  
33 Great amount  
34 London's "The..."  
35 Nurse healer  
36 Kind of saxophone  
37 Bedeck  
38 Prickly pear  
40 Circuit  
42 Factions  
43 Show confidence  
47 Native Suffix  
48 Bantock's ballwick  
49 Blue planet

**DOWN**

26 Large conical net  
27 Garden flower, for short  
28 "I could..."  
29 Flowers in Firenze  
30 Abbr. at O'Hare  
31 Wild card, sometimes  
32 Deleté  
33 First-rate  
34 Rightful  
35 Youth  
36 Wolf's "Lighthouse"  
37 Listening  
38 Shady shallow art  
39 Statute  
40 Judge  
41 Grayish yellow  
42 Moll; list  
43 Male ant  
44 Commune in NW Spain  
45 Egyptian goddess of fertility  
46 Pace  
47 Like flax  
48 N.Y.C. gambling initials  
49 Vigil

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## DENNIS THE MENACE



"You're lucky, Mom. If you were Margaret's mother, you'd hafta kiss her goodnight!"

## JUMBLE

Unscramble these four Jumbles. One letter to each square, to form four ordinary words.

PIMBL  
VAMUE  
REPOPH  
BISMUT

Now arrange the circled letters to form the words above, as suggested by the cartoon.

Print answer here: PIMBL VAMUE REPOPH BISMUT

Answers tomorrow!

Yesterday's Jumbles: GUEST FROZE TURBAN NOVICE  
Answer: A man with horse sense should know enough not to do this—BET ON ONE

## WEATHER

EUROPE	HIGH	LOW	ASIA	HIGH	LOW
Algeria	16	11	12	54	41
Amsterdam	12	6	11	54	41
Antwerp	12	6	11	54	41
Berlin	14	57	41	54	41
Brussels	14	57	41	54	41
Bucharest	8	46	7	19	7
Budapest	8	46	7	19	7
Cairo	0	36	22	61	47
Cardiff	17	43	30	74	59
Dublin	17	43	30	74	59
Edinburgh	17	43	30	74	59
Frankfurt	17	43	30	74	59
Geneva	17	43	30	74	59
Helsinki	17	43	30	74	59
London	17	43	30	74	59
Madrid	17	43	30	74	59
Moscow	17	43	30	74	59
Munich	17	43	30	74	59
Nice	17	43	30	74	59
Paris	17	43	30	74	59
Rome	17	43	30	74	59
Stockholm	17	43	30	74	59
Strasbourg	17	43	30	74	59
Vienna	17	43	30	74	59
Zurich	17	43	30	74	59

## MIDDLE EAST

ASIA	HIGH	LOW
Algeria	16	11
Amsterdam	12	6
Antwerp	12	6
Berlin	14	57
Brussels	14	57
Bucharest	8	46
Budapest	8	46
Cairo	0	36
Cardiff	17	43
Dublin	17	43
Edinburgh	17	43
Frankfurt	17	43
Geneva	17	43
Helsinki	17	43
London	17	43
Madrid	17	43
Moscow	17	43
Munich	17	43
Nice	17	43
Paris	17	43
Rome	17	43
Stockholm	17	43
Strasbourg	17	43
Vienna	17	43
Zurich	17	43

## OCEANIA

ASIA	HIGH	LOW
Algeria	16	11
Amsterdam	12	6
Antwerp	12	6
Berlin	14	57
Brussels	14	57
Bucharest	8	46
Budapest	8	46
Cairo	0	36
Cardiff	17	43
Dublin	17	43
Edinburgh	17	43
Frankfurt	17	43
Geneva	17	43
Helsinki	17	43
London	17	43
Madrid	17	43
Moscow	17	43
Munich	17	43
Nice	17	43
Paris	17	43
Rome	17	43
Stockholm	17	43
Strasbourg	17	43
Vienna	17	43
Zurich	17	43

## THURSDAY'S FORECAST

Channel: Partly cloudy, 54-61. London: Partly cloudy, 54-61. New York: Partly cloudy, 54-61. Paris: Partly cloudy, 54-61. Rome: Partly cloudy, 54-61. Tokyo: Partly cloudy, 54-61.

## PEANUTS



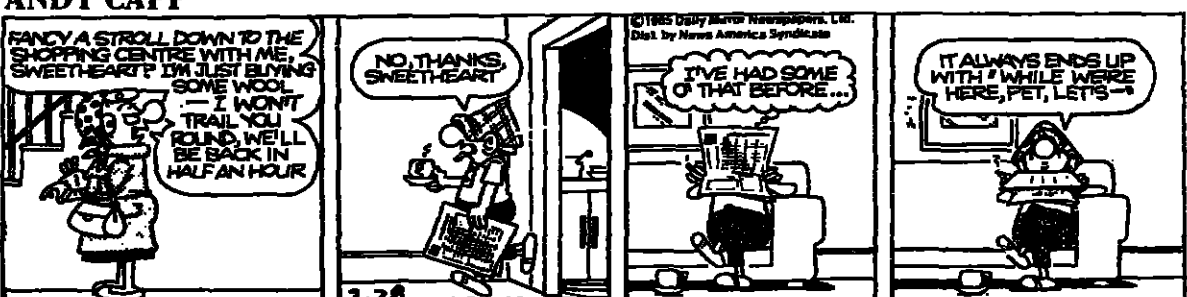
## BLONDIE



## BEETLE BAILEY



## ANDY CAPP



## WIZARD OF ID



## REX MORGAN



## GARFIELD



## World Stock Markets

Via Agence France-Press Feb. 27

Closing prices in local currencies unless otherwise indicated.

Amsterdam	Class Prev	Class Prev	Class Prev	Class Prev	Class Prev
ABN	170.50	170.50	170.50	170.50	170.50
Alm	170.50	170.50	170.50	170.50	170.50
Alm	170.50	170.50	170.50	170.50	170.50
Alm	170.50	170.50	170.50	170.50	170.50
Alm	170.50	170.50	170.50	170.50	170.50
Alm	170.50	170.50	170.50	170.50	170.50
Alm	170.50	170.50	170.50	170.50	170.50
Alm	170.50	170.50	170.50	170.50	170.50
Alm	170.50	170.50	170.50	170.50	170.50
Alm	170.50	170.50	170.50	170.50	170.50

## SEC Aide Resigns Amid Marital Woes

The Associated Press

WASHINGTON — The enforcement chief of the Securities and Exchange Commission has resigned following allegations that he periodically beat his wife during 18 years of marriage.

John M. Fedders offered his resignation Tuesday, hours after the White House said President Ronald Reagan planned to announce action against the SEC official.

Mr. Fedders has been involved in divorce proceedings with his wife, Charlotte Donahue Fedders, 41. His lawyer, Nathan Levin, said Mr. Fedders acknowledged in his testimony in the divorce case that he had seven violent altercations with his wife during the course of their marriage.

But Mr. Levin said his client "strongly contests that he was a wife beater."

## BOOKS

## BREAKING WITH MOSCOW

By Arkady N. Shevchenko. 378 pp. \$18.95.  
Knopf, 201 East 50th Street,  
New York, N. Y. 10022.

Reviewed by  
Christopher Lehmann-Haupt

ON the face of it, "Breaking With Moscow" is a remarkable document. The autobiography of the highest-ranking Soviet official to defect, it is first of all a high-tension spy thriller complete with code names, secret rendezvous on Manhattan's Upper East Side, and a dummy safety razor with microfilm stored in its handle, which, at one of the story's most heart-thumping moments, the author becomes convinced has been snatched by the KGB.

Stuffed between the beginning and the end of the spy thriller — like the contents of a Dagwood Bumstead sandwich — is the career story of a ranking member of the Soviet leadership. Born in 1930 in the Ukraine and raised in a Crimean resort town by a mother who was a nurse and a father who was a doctor, Arkady N. Shevchenko took a doctorate from the prestigious Moscow State Institute of International Relations.

Joining the Foreign Ministry in 1956, he rose by 1963 to the position of chief of the Security Council and Political Affairs Division in the Soviet Mission. In 1970 he became personal adviser to Foreign Minister Andrei A. Gromyko, holding the rank of ambassador. In 1973 he was appointed under secretary general of the United Nations for political and Security Council affairs. Along the way he grew disillusioned with the Soviet system, and disgusted with himself for serving and abetting it. This is why for 32 months from 1975 to 1978, in exchange for the promise of eventual asylum in a United States he had grown to admire, he met regularly with CIA and FBI men to pass them his country's secrets.

It is also why his autobiography is not just a summing up of his career, but also a postwar history of the Soviet Union, an analysis of its political system, a portrait of its past and present leaders, and a measurement of its strengths and weaknesses.

The result, although somewhat jolting in its transition from spy thriller to historical memoir to spy thriller again, is fascinating. Its gossip is amusing: Though the KGB frowns on

it, one of the favorite activities of Soviet diplomats in New York is to bargain-bait at stores owned by Russian-speaking Jewish émigrés on Manhattan's Orchard Street.

Its judgments are arresting. "The Soviet military can exert a mighty influence in critical periods of political turmoil," Shevchenko observes, but adds, "its political importance in the power structure is limited by the preeminence of the Politburo." Yet: "Soviet leaders are all aggressive, all hawks with respect to the final goals of their policy." He adds, "The fable of doves and hawks contesting in the Kremlin" is a Western misapprehension, though of course "it has been encouraged for Western consumption by Soviet propaganda and disinformation outlets."

In short, the impact of "Breaking With Moscow" is a Cold War militant's paranoid dream come true. According to Shevchenko, the Soviet system is as bad as its most severe critics imagine. And it is far from collapsing under the weight of its own incompetence.

Yet the paranoia that the book confirms engenders another form of paranoia. One finds oneself wondering about the author's motives for taking the extreme step of betraying his compatriots and abandoning his wife and children. If, as Shevchenko claims, there are other intelligent Russians in positions of leadership who are disillusioned with the hypocrisy and hopelessness of the Soviet system, then there has to be something deeper to explain why he chose to take the extreme steps that he did.

What might these deeper motives be? Shevchenko neglects to discuss any, which would close the case were it not for certain puzzling symptoms that his book reveals. Why, for example, does he say, "I have never regarded myself as a spy in the true sense of the word, nor have I felt that I betrayed my people or my country," when in fact, for better or worse, he is a spy and a defector in the only sense of those words? Why is there such a contrast in style between the brief story of his defection and the long historical section of the book, the former being as slick and well-paced as a fictional thriller, while the latter is rambling, disorganized and puzzlingly repetitive?

Why, finally, does Shevchenko neglect altogether to speculate why the KGB had grown so interested in him toward the end and why he was finally recalled to Moscow under what appeared to him to be false pretenses? Perhaps there is no explanation available, but Senator Daniel Patrick Moynihan, who was chief U.S. delegate at the United Nations when Shevchenko was spying, felt sure enough of one to describe, in a news report that appeared in The New York Times, precisely how the Russians exposed Shevchenko's activities, while the same news story cited "a former senior American intelligence official" who disagreed with Senator Moynihan, saying that Moscow had decided to summon Shevchenko home because of his "heavy drinking and a relationship with a woman who said she was paid with American intelligence funds."

None of these puzzles are raised to suggest what Shevchenko's deeper motives might have been or even to prove that any actually existed. Events have yet to demonstrate whether any of these theories are true. The point is only that "Breaking With Moscow" leaves one with the feeling that it is not the whole story.

Christopher Lehmann-Haupt is on the staff of The New York Times.

## BRIDGE

By Alan Truscott

A declarer is sometimes forced to decide between two improbabilities, and psychology may come into play.

On the diagrammed deal, South landed in five hearts after West had taken advantage of favorable vulnerability to crowd the auction with a jump to four spades. North should have bid five hearts directly; his Blackwood auction made little sense.

West led his singleton diamond and South won with the ten in dummy. It would now seem an easy matter to drive out the A-Q of trumps and eventually discard the black-suit losers on dummy's diamonds.

So South put up the spade ace and finessed again in

hearts. To his horror West produced the queen and followed with the spade king to defeat the contract.

NORTH  
♠ A 3  
♥ K J 10 8 7 3  
♦ A Q J 10 4  
♣ K J 10 2

EAST  
♠ K J 10 8 7 3  
♥ A Q J 10 4  
♦ K J 10 2  
♣ K J 10 2

South and North were vulnerable.  
The bidding:  
N: 1♠, 2♥, 3♥, 4♥, 5♥.  
S: 1♠, 2♥, 3♥, 4♥, 5♥.

West led the diamond ace.

West led the diamond ace.

West led the diamond ace.

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## SPORTS

## Kaat vs. Rose: Just Like Old Times

Compiled by Our Staff From Dispatches  
TAMPA, Florida — "This is more like an old-timers game," said Jim Kaat, 46, the pitching coach, as he threw to player-manager Pete Rose, 43, at the Cincinnati Reds camp in Tampa, Florida.

"What's this, 50 years of experience?" Rose asked.

Close. Kaat was the only pitcher

## PRING TRAINING NOTES

league history to work in 25

ns. Rose is entering his 23d

se lashed a line drive to left

el at Kaat. "I think the last

ie I faced you I got a knock just

that."

Kaat didn't argue. He knows

at Rose can remember just about

of his 4,097 hits.

"Fun, that's what this game is,"

just said. "You have to keep

things moving. That's one reason

he hired me as pitching coach. He

id I have the same approach to

game. Obviously, I don't have

400 hits, but I've given up 4,000

ts."

He's not kidding. The actual fig-

is 4,620.

□

Training began in Mesa, Ariz.,

for Chicago Cubs pitchers and

catchers, but all eyes were on past

and future shortstops.

"Mr. Cub" Ernie Banks, who entered

the Hall of Fame in 1977 with

512 home runs, met rookie Shawon

Dunston for the first time, then

tutored the nation's No. 1 draft

choice in 1982 for 30 minutes.

"I hope people won't start compar-

ing me to Ernie the first time I

hit a homer," said Dunston, who is

competing with veteran Larry

Bowa for the starting shortstop job.

Manager Jim Frey said Bowa is

the starter until Dunston proves

otherwise.

"I saw Shawon play four games

in the Instructional League last fall

and he looked good," Frey said.

"He caught the ball well and threw

it well. He can hit and he showed he

can run."

Dunston batted .329 at Double-

A Midland last season, but only

.233 at Triple-A Iowa. Bowa hit

.223 for the National League East

champions with just 17 RBI.

A month short of his 22d birth-

day, Dunston is 18 years younger

than Bowa.

□

Yogi Berra, the New York Yan-

kees' manager, expressed satisfac-

tion with the play of infielder An-

dre Robertson during a workout at

the club's spring training site in

Fort Lauderdale, Florida.

Robertson, feeling the effects of

injuries received in an August 1983

automobile accident, said he still

feels some pain in his right shoul-

der but appears to be throwing

well. He rejoined the Yankees in

September after a stint in the mi-

nor and has established a goal of

reclaiming the starting shortstop

position he held before the acci-

dent. Bobby Mescham currently

holds that post.

□

The Baltimore Orioles continued

spring training workouts with one

notable addition — outfielder Fred

Lynn. Lynn, who was added to the

club during the off-season, arrived

in camp three days ahead of sched-

ule.

"I decided to come a few days

early to get to know the coaches

and the system," Lynn said.

"There's going to be an adjustment.

There always is."

Lynn, 35, was acquired by the

Orioles as a free-agent for a report-

ed \$6.8 million for four years. He

will play center field and the club

hopes he will bring a World

Championship back to Baltimore.

The Orioles won the World Series

in 1983, 19 games behind the Tigers.

"I'm sure there will be pressure,

but I've been in those situations

before," Lynn said. "I'm willing to

do anything that will help the ball

club."

□

Of all the players the Montreal

Expos acquired this winter, none

figures to be as potentially impor-

tant as Vance Law.

Law, who played third base

when the Chicago White Sox tramp-

led the American League West in

1983, likes to report to spring train-

ing early and can certainly use the

extra work this year.

Law, acquired over the winter,

spent the last four days fielding

ground balls at second base in

training camp at West Palm Beach,

Florida.

Montreal expects Law to be its

starting second baseman this year

and he arrived in camp with the

pitchers and catchers last Friday.

His ability to turn the double play

will help determine how much suc-

cess the Expos have this season.

"I've always reported early but

this year I need extra work because

I'm in a new position," Law said.

"I'm just flipping to anyone now.

When Hubie Brooks reports I'll

find out how he likes the ball and

work on that."

Brooks had been the New York

Mets' third baseman for four years.

He switched to shortstop late last

season when the Mets acquired

Ray Knight and performed well.

Law and Brooks were obtained

by the Expos in off-season trades to

provide punch for the middle of the

infield. (WP, LAT, AP, UP)



Reggie Jackson of the California Angels goes to bat on his first day at spring training.

## Ueberroth Offers to 'Open Books'

New York Times Service

FORT LAUDERDALE, Florida — In a departure from past

labor practice, Commissioner Peter

Ueberroth told baseball's club

owners Tuesday that he would or-

der them to "open their books"

completely to the Players Associa-

tion if negotiators for both sides

thought it "would be helpful" in

achieving a collective bargaining

agreement.

Ueberroth's stand followed a

discussion at an owners' meeting in

New York that elicited mixed feel-

ings among the owners on the wis-

dom of disclosing their financial

records to the players. In past nego-

tiations, the owners always have

avoided the possibility of opening

their books by announcing at the

start of collective bargaining talks

that they were not claiming an in-

ability to pay.

According to a release issued by

the commissioner's office, Ueber-

roth told the owners: "If Don Feir

and Marvin Miller (representing the

players), and Lee MacPhail and

Barry Rona (representing the clubs)

advise me this would be critical to

the negotiations and will remove

any lingering lack of trust between

the parties in order to reach a suc-

cessful conclusion, I would do it."

"I think he's trying to be con-

structive, but I must say we haven't

asked for the books," said Miller,

former executive director of the

Players Association and now a con-

sultant.

He noted that contrary to popu-

lar conception, the only time the

players made an issue of the books

was in 1981, when baseball went

through a 50-day strike.

During those negotiations,

Miller said, the owners were care-

ful not to make financial problems a

negotiating tactic, but away from

the bargaining table, Bowie Kuhn,

who was then the commissioner,

and some owners cited the cost of

player salaries as a source of the

clubs' financial problems.

Miller and MacPhail, the own-

ers' chief negotiator, both said by

telephone from New York that

they expected Ueberroth's decision

to be a topic of discussion at

Wednesday's meeting.

Noting that the owners were di-

vided on their views on opening

their books, MacPhail said: "It in-

dicates a difference in thinking

from the past. Two or three years

ago you wouldn't have found any

owners interested in such a

course."

At their meeting Tuesday, the

owners also unanimously gave total

authority to MacPhail and Rona,

the counsel for the player relations

committee, to conclude negotia-

tions on a new Basic Agreement

with the players.

## Erving Sets a Mark, But Sixers Lose

Compiled by Our Staff From Dispatches

MILWAUKEE — Julius Erving

became the third-leading scorer in

professional basketball Tuesday

night, but he did it in a game that

he and the Philadelphia 76ers

would just as soon not talk about.

Erving needed seven points to

pass Elvin Hayes and move in be-

hind Kareem Abdul-Jabbar and



Julius Erving

## NBA FOCUS

Wilt Chamberlain, and it took him

almost the entire game to get them.

A tip-in with 6:05 left in the game

gave Erving 27,037 points. By that

time, though, the Milwaukee Bucks

had put the game away.

Terry Cummings (27 points) and

Craig Hodges (20) led the Bucks to

an easy 116-97 victory to prevent

the 76ers from moving into a tie for

first place with Boston in the At-

lantic Division. The Bucks length-

ened their big lead in the Central

Division to 7½ games.

Erving, who is averaging 20.8

points a game, was three for 10

from the field and only one for four

from the line.

Elsewhere in the NBA, it was

New York 129, San Antonio 122;

Denver 106, Atlanta 94; Utah 103,

Dallas 96; Kansas City 110, Phoenix

103; Cleveland 123, Chicago

118 in overtime; Portland 110, Los

Angeles Clippers 99; Los Angeles

Lakers 100, Houston 94, and Gold-

en State 128, Seattle 119.

At 35, Erving doesn't figure to

climb any higher on the career scor-

ing list. He would have to score

4,112 more points to catch Cham-

berlain.

Erving, who has split his 14-year

pro career between the NBA and

the American Basketball Associa-

tion, received a one-minute stand-

ing ovation when he passed Hayes.

But after the game, he wasn't in

a talkative mood. "It's not so bad

when you're playing happy," he

said. "I'm thankful for it. That's all

I've got to say."

Paul Pressey of the Bucks was

largely responsible for Erving's low







